

1 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
2 IN AND FOR THE COUNTY OF LOS ANGELES

3 ORIGINAL

4 - - -

5 RELIGIOUS TECHNOLOGY CENTER, A)
6 California Non-Profit Religious)
7 Corporation; CHURCH OF)
8 SCIENTOLOGY INTERNATIONAL, A)
9 Non-Profit Religious Corporation;)
and CHURCH OF SCIENTOLOGY OF)
CALIFORNIA, A Non-Profit)
Religious corporation,)

10 Plaintiffs,)

11 vs.)

No: BC 033035

12 JOSEPH A. YANNY, an individual;)
13 JOSEPH A. YANNY, a professional)
law corporation, and DOES 1-25,)
inclusive,)

14 Defendants.)
15 _____)

VOLUME V

16 VOLUME V - DEPOSITION OF

17 GERALD ARMSTRONG

18 SANTA MONICA, CALIFORNIA

19 APRIL 7, 1992

20
21 ATKINSON-BAKER AND ASSOCIATES, INC.
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24 REPORTED BY: JAN SERRA, CSR NO. 8207

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15)
16)

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VOLUME V

17 Volume V - Deposition of GERALD ARMSTRONG, taken
18 on behalf of the Plaintiff, at 3340 Ocean Park Boulevard,
19 Suite 1050, Santa Monica, California 90405,
20 commencing at 1:00 p.m., Tuesday, April 7, 1992,
21 before Jan Serra, CSR 8207.
22
23
24
25

A P P E A R A N C E S

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THE REFEREE: THE HONORABLE THOMAS T. JOHNSON

ALSO PRESENT:

ED PARKIN

///

I N D E X

2 WITNESS: GERALD ARMSTRONG

3 EXAMINATION PAGE

4 BY MR. BERRY 597

5 BY MR. MOXON 678

6 ///

7

8 EXHIBITS:

9

10 DEFENDANT'S
11 NUMBER DESCRIPTION PAGE

12 (None)

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NUMBER PLAINTIFF'S
DESCRIPTION PAGE

4-B - March 23, 1992 letter on Lewis, 596

D'Amato, Brisbois & Bisgaard
letterhead, to Hon. Thomas T.
Johnson, from Graham E. Berry.

4-C - March 31, 1992 letter on Bowles 596

& Moxon letterhead, To Hon.
Thomas T. Johnson, from
Graham E. Berry.

4-D - April 6, 1992 letter on Lewis, 596

D'Amato, Brisbois & Bisgaard
letterhead, to Hon. Thomas T.
Johnson, from Graham E. Berry.

4-E - Declaration of Gerald Armstrong 597

in opposition to Scientology's
motion for preliminary
injunction.

4-F - February 28, 1982 Suppressive 606

Person Declare, Gerry Armstrong.

4-G - Mutual Release of All Claims and 616

Settlement Agreement.

4-H - Settlement Agreement - work copy. 617

4-I - Settlement Agreement. 617

4-J - Indemnity Agreement. 617

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4	4-L -	August 21, 1991 letter to Eric M. Lieberman, Esq., from Gerry Armstrong.		655
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1 THE REFEREE: Mr. Armstrong, you're still
2 under oath.

3 MR. GREENE: For the record, with respect
4 to Mr. Armstrong's, the transcript of his deposition
5 of March 16th, 1992, we have not received any copy of
6 that, or original of that yet, although we have
7 received a transcript of the proceedings which
8 transpired on the 17th of March.

9 MR. BERRY: Neither have I received such
10 a document.

11 THE REPORTER: I'll bring copies tomorrow
12 if you all want them.

13 MR. BERRY: In relation to the delivery
14 of transcripts, I would like these three letters
15 marked as exhibits. (Indicating)

16

17 (Discussion held off the record.)

18

19 (The document referred to was
20 marked by the CSR as Exhibit 4-B, 4-C,
21 4-D for identification and attached to
22 and made a part of this deposition.)

23 ///

24

25

EXAMINATION

1

2

3 BY MR. BERRY:

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Q We are gathered here today in the presence of a referee to continue your deposition Mr. Armstrong.

7

8

You're appearing by subpoena issued by the Church of Scientology, correct?

9

A Right.

10

11

Q If I refer to that entity as the "organization" you'll understand what I mean?

12

A Yes.

13

14

15

16

MR. BERRY: I'd like marked as 4-E a document entitled "Declaration of Gerald Armstrong in Opposition to Scientology Motion for Preliminary Injunction."

17

18

Could you turn your attention to the last page of that document?

19

THE WITNESS: (Complying)

20

21

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///

(The document referred to was marked by the CSR as Exhibit 4-E for identification and attached to and made a part of this deposition.)

2 1 Q BY MR. BERRY: Is that your signature that
2 appears on the last page? (Indicating)
3 A Yes.
4 Q Is this a declaration that you have sworn
5 out?
6 A Yes.
7 Q Before we turn to that declaration, had
8 Mr. Yanny ever represented you on any literary matters
9 involving Scientology?
10 A No.
11 Q Has he ever represented you on any
12 matters involving Scientology?
13 A No.
14 Q Has he ever counseled you on any matters
15 involving Scientology?
16 A No.
17 Q Do you know that Mr. Yanny is being sued
18 for allegedly representing you on matters involving
19 Scientology, correct?
20 A Right.
21 Q Do you find that amazing?
22 MR. MOXON: Objection, calls for an
23 opinion.
24 MR. BERRY: Mr. Armstrong, question
25 withdrawn.

1 Q BY MR. BERRY: You testified on the
2 previous occasion that you had been designated an
3 expert by Judge Breckenridge, right?

4 A Right.

5 Q That was an expert on fair game,
6 misrepresentation, the fraud of Scientology, L. Ron
7 Hubbard, correct?

8 A These are the areas in which I consider
9 that I have expertise.

10 He was talking specifically -- my
11 recollection is --- and I don't have that, the
12 transcript of the proceedings readily available -- but
13 he was speaking specifically about the history of L.
14 Ron Hubbard.

15 MR. MOXON: I object to the
16 characterization of him being certified as an expert.
17 Mr. Armstrong was not certified as an expert witness;
18 in someone's opinion he had some expertise in some
19 issue, it was collateral to anything in the case.

20 I don't think you mean to infer he was
21 certified as an expert witness in any case, do you Mr.
22 Berry?

23 MR. BERRY: I just heard the witness
24 testify that he was considered to be an expert by
25 Judge Breckenridge.

1 MR. MOXON: You don't mean in a legal
2 sense an "expert," do you?

3 MR. BERRY: I mean an expert on the
4 indicated issues relating to Scientology.

5 MR. MOXON: I'll cross examine if you
6 choose to leave it ambiguous as to whether or not he
7 was designated as an expert witness.

8 Q BY MR. BERRY: On the basis of your
9 expertise regarding Scientology, Mr. Armstrong, do you
10 have an opinion as to why the organization would file
11 a lawsuit against Mr. Yanny claiming that he
12 represented you when there is no evidence that he ever
13 did so?

14 MR. MOXON: Objection, Your Honor, this
15 witness has not been designated as a expert in this
16 case. He specifically has not been identified.

17 Lists of experts are overdue. He was not
18 identified on any list as an expert, therefore his
19 opinions are completely irrelevant and improper in
20 deposition. Whether he believes he's an expert or not
21 is irrelevant.

22 MR. BERRY: I will concede that he's not
23 being designated as an expert in this case.

24 THE REFEREE: If he's not been designated
25 as an expert, is he qualified as an expert?

2 1 MR. BERRY: The witness has testified,
2 Your Honor, that he has previously been considered to
3 be an expert.

4 Q BY MR. BERRY: Mr. Armstrong, have you
5 been designated as an expert in other cases?

6 A Yes.

7 Q In which cases?

8 A In one entitled ^{Hunziker} ~~"Huntsinger"~~ versus
9 Applied Materials."

10 Q Did -- were you designated in the --
11 withdraw.

12 What were the issues in which Judge
13 Breckenridge considered you to be an expert?

14 A It was during my trial in 1984.

15 MR. MOXON: I object, he was never
16 designated as an expert in that case in 1984. Mr.
17 Berry is potentially trying to mislead.

18 I object, he's not been designated as an
19 expert in this case. He can attempt to prop him up
20 and try to make him an expert. It's not appropriate
21 to ask for a ruling from this court --

22 THE REFEREE: Let me give you my reaction
23 to this.

24 This is really a deposition, and just a
25 deposition. And it's discovery and just discovery.

1 There are certainly going to be
2 preserved -- I don't know if, whether for the purposes
3 of discovery it's necessary for the Referee to find
4 that he is an expert. I don't believe that it is.

5 And I would think we would make more
6 progress bearing in mind your objections and what the
7 record shows. If he's asked questions and answers
8 then you can ask on cross-examination whatever you
9 think is appropriate, and we'll see what testimony is
10 elicited.

11 What, whether it would be admissible at
12 some later time would most probably depend on what the
13 judge hearing the trial is looking for in the way of
14 qualifications. More than what I might be looking for
15 today.

16 MR. MOXON: I'm not quite sure I
17 understand the court's ruling.

18 Since this is just discovery he can ask
19 pretty much anything he wants?

20 THE REFEREE: In this particular -- as
21 far as opinions go, whether they have any weight,
22 whether they're going to be admissible at that time of
23 trial is something for another time. But he can
24 discover today as he can. That's my thought at the
25 moment.

1 MR. MOXON: We won't be bound by the
2 relevance at this point?

3 THE REFEREE: I do not think so.

4 You can have a continuing objection in
5 that area if you want.

6 MR. MOXON: No. My only problem, Your
7 Honor -- and this is something I mentioned at the last
8 deposition -- was I was precluded from asking a number
9 of questions which were highly relevant to the case.
10 In particular there was money, a thousand dollars that
11 was given to this witness by the defendant. A
12 thousand dollars arising out of this corporation.

13 I was precluded from asking a number of
14 questions regarding the payment of that money because
15 the court felt that I had asked enough questions and
16 that other questions concerning that wouldn't
17 necessarily be relevant.

18 It was extremely prejudicial in my view
19 to the plaintiff to have the court take such a narrow
20 view with respect to the relevance of our questions
21 concerning an issue which is central to the case and
22 then go into what his qualifications are as an expert.

23 MR. BERRY: On the contrary, I believe
24 there was a restriction on questioning because you
25 were invading areas that were constitutionally

3 1 protected.

2 THE REFEREE: I do think it's a little
3 different situation. It's as that great American
4 Jerry Brown says: "Then is then and now is now."
5 Whatever that means.

6 But more seriously, this is really
7 opinion evidence and/or had to do I think with
8 questions concerning factual evidence.

9 THE REFEREE: But we had some problems of
10 privacy and whatnot there.

11 MR. MOXON: I take it then you're going
12 to allow him to go on and ask opinions?

13 THE REFEREE: I don't know what I'm going
14 to allow him to do because I don't know what questions
15 are going to be asked.

16 You should not be inhibited in objecting.
17 Anything can be pursued to a point where it's no
18 longer appropriate.

19 Q BY MR. BERRY: Do you recall the question
20 Mr. Armstrong?

21 A Right.

22 Q You do?

23 A Yes.

24 My opinion on why the organization filed
25 this lawsuit, specifically with regards to me?

1 MR. MOXON: I don't believe we had a
2 ruling on my objection. It was just calling for an
3 opinion.

4 THE REFEREE: The objection's overruled.

5 Whatever weight opinion has we'll have to
6 see.

7 A I see it as pursuant to the
8 organization's policy of attack the attacker. They
9 have viewed Joe Yanny and myself as enemies and
10 threats, and they have grasped at what they see as an
11 avenue to attack us and make it difficult for ^{him} ~~he~~ to
12 defend himself and me to defend myself.

13 Q BY MR. BERRY: Did that policy regarding
14 yourself start with the designation of you as a
15 suppressive person?

16 MR. MOXON: Objection, lack of
17 foundation.

18 Ambiguous as to "policy."

19 MR. BERRY: I believe what the witness
20 has previously testified, he was declared a
21 suppressive person on two occasions back in 1982.

22 Q BY MR. BERRY: Do you recall that?

23 A Yes.

24 Q Was the designation of you --

25 MR. MOXON: Again, the question lacks a

3 1 foundation.

2 He's seeking testimony from Mr. Armstrong
3 as to why this lawsuit occurred with Mr. Yanny based
4 on something that occurred to Mr. Armstrong in 1982.

5 THE REFEREE: For whatever that's worth,
6 whatever weight could be given to that, he can have an
7 opinion I suppose.

4 MR. BERRY: Could I have this document
8 for a "Suppressive Person Declare, Jerry Armstrong,"
9 marked as next in order?
10

11
12 (The document referred to was
13 marked by the CSR as Exhibit 4-F for
14 identification and attached to and
15 made a part of this deposition.)
16

17 Q BY MR. BERRY: Mr. Armstrong, do you
18 recognize that document?

19 A Yes.

20 Q How do you recognize that document?

21 MR. MOXON: I have a question as to
22 relevance. This is completely irrelevant to the case.

23 Mr. Armstrong's declaration, if this is a
24 valid declaration in 1982, has no relevancy to whether
25 or not Yanny breached his attorney-client

1 responsibilities in 1991.

2 THE REFEREE: What's the connection?

3 MR. BERRY: This witness has testified he
4 was declared a suppressive person and has been a
5 subject of the fair game policy ever since.

6 He has just testified now that this
7 lawsuit of my client's representatives of a
8 suppressive person and fair game have permeated in
9 religion and with regard to Mr. Armstrong and Mr.
10 Aznaran.

11 Mr. Yanny's knowledge of fair game and
12 the circumstances which led to the Aznarans and
13 Armstrong being declared suppressive persons are
14 relevant to the state of mind he had when he did what
15 he was alleged to have done.

16 MR. MOXON: With that explanation, Your
17 Honor, he's tied together the declaration of Mr.
18 Armstrong in 1982 as the reason Yanny was sued in
19 1991. That's a ridiculous tie-in.

20 THE REFEREE: I don't think it's quite as
21 direct as that.

22 Since he's testifying as to an opinion
23 he's entitled within reason to testify to the basis
24 for the opinion.

25 Whether the basis is adequate is another

1 matter. So the objection's overruled. You can pursue
2 this at least somewhat.

3 Q BY MR. BERRY: Do you recognize this
4 document Mr. Armstrong? (Indicating)

5 A Yes.

6 Q How do you recognize this document?

7 A I was sent this document in 1982. I have
8 had it since 1982. It was an exhibit in my trial in
9 1984, and it's been a part of my life since 1982.

10 Q Do you know who sent you this document?

11 A (No response)

12 MR. BERRY: Let me withdraw that
13 question.

14 A Marilyn Brewer.

15 MR. MOXON: Objection, this document was
16 just handed to him by Mr. Berry. Obviously it wasn't
17 sent to him by Marilyn Brewer.

18 THE REFEREE: Are you referring to this
19 document or the original of this document or the first
20 time you have seen this document?

21 THE WITNESS: That was the first time.

22 THE REFEREE: When was that?

23 THE WITNESS: 1982.

24 MR. MOXON: Objection, this doesn't
25 remotely go to the basis for his opinion about why we

4 1 sued Joseph Yanny as to who sent him this document.

2 MR. BERRY: I'm moving out of that area
3 quickly.

4
5 (The document referred to was
6 marked by the CSR as Exhibit 4-E for
7 identification and attached to and
8 made a part of this deposition.)
9

10 Q BY MR. BERRY: Turning your attention to
11 page two of your declaration dated March 16, 1992,
12 which is Exhibit 4-E, I'll ask you to read paragraph
13 3?

14 A Okay.

15
16 (Pause in proceedings.)
17

18 Q BY MR. BERRY: Mr. Armstrong, while you
19 were a Scientologist organization employee or member,
20 what was the Rehabilitation Project Force?

21 MR. MOXON: Objection, irrelevant.

22 THE REFEREE: What's the relevance here?

23 MR. BERRY: Your Honor, the Aznaran
24 litigation, which is a major part of this lawsuit,
25 involved extensive allegations regarding Ms. Aznaran's

1 confinement in the Rehabilitation Project Force, and
2 it was my client's knowledge of that that in part went
3 to the state of mind which prompted him to do what he
4 is alleged to have done.

5 MR. MOXON: Prompted who to do what?

6 MR. BERRY: My client.

7 THE REFEREE: Mr. Yanny?

8 MR. BERRY: Mr. Yanny.

9 There has been testimony in this case
10 about the Rehabilitation Project Force, and it might
11 clarify the understanding of this to know what it was.

12 THE REFEREE: There has been some
13 testimony regarding it.

14 You can ask a couple questions. Let's
15 see where they're going.

16 A It is Scientology's equivalent of a
17 prison system.

18 MR. MOXON: Move to strike. Lack of
19 foundation.

20 THE REFEREE: Let's lay some foundation
21 for that one. We'll strike the answer for the moment.

22 Q BY MR. BERRY: Mr. Armstrong, do you have
23 any knowledge of something called "Rehabilitation
24 Project Force?"

25 A Yes.

4

1 Q What is the basis for your knowledge in
2 that regard?

3 A During the time I was in the organization
4 I was assigned on two occasions to the RPF. I spent a
5 total 25 months on the RPF.

6 I was within the RPF, in charge of it.

7 I was, I viewed perhaps a total of a
8 hundred, maybe 150 people pass through the RPF during
9 the time in which I was involved with it.

10 Q By "RPF" do you mean Rehabilitation
11 Project Force?

12 A Yes.

13 Q Does the RPF have a number of locales?

14 A Yes.

15 Q While you were involved with the RPF what
16 were those locales?

17 A The ones that I personally knew of and
18 observed, first of all on the ship beginning in 1974,
19 subsequently in Clearwater, Florida.

20 Then in La Quinta, California.

21 And the RPF in Los Angeles.

22 MR. MOXON: I renew my objection to lack
23 of relevance and it's not obviously tied together.
24 We're just getting into an area far afield.

25 The court requested he tie it together

1 and he's not doing so.

2 THE REFEREE: I'm taking it as
3 foundational for the moment.

4 Overruled for the moment.

5 Q BY MR. BERRY: Why did the RPF exist?

6 MR. MOXON: Objection, lack of
7 foundation.

8 THE REFEREE: Overruled.

9 You may answer.

10 A For the control of members, for the
11 obtaining of labor which was even more free than the
12 labor which was extracted from normal Scientology Org
13 members.

14 And to break the wills of anyone who
15 opposed the organization or Hubbard.

16 MR. MOXON: Move to strike as lack of
17 foundation.

18 THE REFEREE: Overruled.

19 Q BY MR. BERRY: Were people free to leave
20 the RPF of their own volition?

21 A No.

22 Q Why not?

23 A If they sought to leave they were held.
24 Physically held.

25 Q Did you see occasions on which that

5 1 occurred?

2 A Yes.

3 MR. MOXON: I have a continuing objection
4 to lack of relevance to this case.

5 THE REFEREE: You have a continuing
6 objection on that.

7 Q BY MR. BERRY: Mr. Armstrong, did you
8 ever learn anything from Mr. Yanny regarding
9 Scientology's litigation or tactics?

10 A I don't believe so.

11 Q Indeed, could Mr. Yanny have told you
12 anything about Scientology's litigation or tactics
13 that you didn't already know?

14 A I don't believe so.

15 Q Referring to paragraph 4 of Exhibit 4-E,
16 could you take a quick look at that?

17 A (Complying)

18 Q Do you have any knowledge as to how the
19 "Mission Corporate Category Sortout" came to take
20 place?

21 A Yes.

22 MR. MOXON: Objection, irrelevant.

23 He's reading from a declaration that was
24 filed, apparently in Marin County, which was a subject
25 of great discussion last week. He's obviously getting

5 1 some discovery for purposes in some other lawsuit.
2 2 Which is something that the court suggested was
3 3 inappropriate and something Mr. Berry bitterly
4 4 complained about last week.

5 I don't know what the purpose is, what
6 6 the relevance is to ask him about his deposition filed
7 7 elsewhere.

8 MR. BERRY: We have an affirmative
9 9 defense in this case called the crime fraud exception.

10 We're dealing with MCCS tapes which Mr.
11 11 Yanny was consulted upon in which this witness has
12 12 knowledge upon, and his knowledge may tend to lead to
13 13 the discovery of admissible evidence.

14 MR. MOXON: It says in the statement on
15 15 paragraph 4 that the alleged MCCS matter was 1980 and
16 16 1981.

17 Mr. Yanny is claiming crime fraud
18 18 exception to something he did in 1991. It was prior
19 19 to the time Mr. Yanny represented the Church. It's
20 20 irrelevant to this case.

21 It's apparently useful for Mr. Berry
22 22 elsewhere, but has no relevance to this case.

23 MR. BERRY: Mr. Yanny has testified in
24 24 Yanny I that he was involved in Mission Corporate
25 25 Category Sortout which did not conclude in 1980, and

5 1 the effect on the attorney-client privilege may well
2 2 have impact in 1991 and 1992.

3 MR. MOXON: A claim projected by Judge
4 4 Cardenas.

5 THE REFEREE: Thank you folks. The
6 6 objection's sustained.

7 Q BY MR. BERRY: Mr. Armstrong, did you
8 8 become involved in litigation with the organization?

9 A Yes.

10 Q Did there come a time when that
11 11 litigation was settled?

12 A Yes.

13 Q In connection with that settlement were a
14 14 number of documents executed?

15 A Yes.

16 MR. MOXON: I object, these questions
17 17 were asked and answered by Mr. Yanny at some length in
18 18 the last deposition.

19 Mr. Berry is representing Mr. Yanny so we
20 20 now have two attorneys representing the same party.

21 MR. BERRY: I'm surprised Mr. Moxon
22 22 talked about the questions which were asked and
23 23 answered when I haven't even asked one regarding this
24 24 area.

25 THE REFEREE: I don't know what we have

1 yet, so let's see.

2 MR. MOXON: It was about these
3 settlements Your Honor.

4 THE REFEREE: Let's see what the question
5 is going to be.

6 Q BY MR. BERRY: I show you what I'd like
7 marked as 4-G.

8 Is that a copy of your Settlement
9 Agreement entered into in connection with the
10 litigation Scientology you were first involved in?

11 A Yes.

12

13 (The document referred to was
14 marked by the CSR as Exhibit 4-G for
15 identification and attached to and
16 made a part of this deposition.)

17

18 Q BY MR. BERRY: Showing you 4-H, was that
19 document also executed in connection with that
20 litigation?

21 A Yes.

22 ///

23

24

25

5

1

(The document referred to was
marked by the CSR as Exhibit 4-H for
identification and attached to and
made a part of this deposition.)

5

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MR. BERRY: Four I.

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Q BY MR. BERRY: Mr. Armstrong, do Exhibits
4-G to 4-J all relate to the settlement you entered
into with the organization?

1 A Yes.

2 MR. BERRY: Turning back to 4-E,
3 paragraph 12, on page 7, I'd ask you to read through
4 to the end of paragraph 14 on page 9.

5 A (Complying)

6 MR. MOXON: Could we take a break for a
7 moment?

8 I would like to consult with my attorney
9 who is more familiar with this. What Mr. Berry is
10 doing here may be in violation of a TRO.

11 THE REFEREE: Let's take a few minutes.

12

13 (Recess taken.)

14

15 MR. MOXON: I am informed that some of
16 these documents are the subject to a motion to seal.
17 Mr. Yanny is trying to run around that motion to seal
18 in Marin County.

19 MR. GREENE: You're not counsel in Marin,
20 although your law firm is, and there is absolutely no
21 motion to seal in Marin.

22 MR. MOXON: It's transferred down here,
23 right?

24 MR. GREENE: Originally Scientology
25 sought to seal the record in Marin County and they

1 were unsuccessful in that effort. They sought to seal
2 the Settlement Agreement and they were unsuccessful in
3 that matter as well. That entire file is public.

4 There is no motion pending, and I am Mr.
5 Armstrong's attorney of record in that matter. I
6 don't think you have any foundation for that at all.

7 MR. MOXON: I guess you're not doing a
8 competent job then.

9 MR. BERRY: I object to that and the
10 misrepresentation he's making.

11 MR. MOXON: We'll let the chips fall
12 where they may then.

13 THE REFEREE: We're doing this at the
14 moment. We're asking and answering questions. We are
15 putting a, designating items as exhibits in this
16 deposition.

17 If good cause is shown I'm sure we can
18 seal the exhibits in the deposition. If there really
19 is some good reason to do that -- which I don't really
20 have in front of me at the moment.

21 MR. PARKER: Your Honor has a fax machine
22 here, Mr. Moxon.

23 MR. MOXON: I think the court's
24 suggestion is a good idea. We can seal it temporarily
25 until I can get back to my counsel that are on the

1 case.

2 Obviously if you want to suspend the
3 deposition I'll go over and file a motion. We can do
4 that. That seems like it would be a pointless
5 exercise.

6 THE REFEREE: I'm really not going to do
7 it because I don't have anything in front of me except
8 your representation and other people's representation.

9 But nothing is instantaneous, and the
10 deposition is in the process of being copied, being
11 put together. So I would think in the next day or so,
12 depending on what the facts are, we could always seal
13 it.

14 MR. BERRY: I can assure --

15 THE REFEREE: I'm the court's Referee.

16 MR. BERRY: I can assure the Referee I
17 obtained this from documents which are part of the
18 public filing in Marin County which is not under seal.

19 MR. GREENE: It never has been under
20 seal.

21 MR. MOXON: You went to Marin County to
22 get this.

23 MR. BERRY: I obtained these.

24 MR. PARKER: We're not here to be
25 cross-examined by you.

1 THE REFEREE: Let's go forward with the
2 deposition. Y'all can discuss this later.

3 MR. PARKER: I wanted to clarify the
4 representation of Mr. Berry where he got these
5 exhibits.

6 If he could make that clear that would
7 help that motion.

8 THE REFEREE: Before we all separate at
9 the end of the day you --

10 Let's go forward. Time is racing by.

11 Q BY MR. BERRY: Mr. Armstrong, turning
12 your attention to Exhibit 4-H the --

13

14 (Discussion held off the record.)

15

16 Q BY MR. BERRY: Turning back to Exhibit
17 4-H?

18 A Okay.

19 MR. MOXON: What was the relevance of
20 these documents to this case again? My relevance
21 objection.

22 MR. BERRY: If you want to know the
23 relevance, the relevance is our affirmative defense
24 No. 9, which we specifically refer to the documents as
25 restricting attorneys from representing people adverse

1 to Scientology, and depleting the pool of attorneys
2 available to people such as the Aznarans.

3 THE REFEREE: So it can have some
4 relevance. So let's go ahead.

5 Q BY MR. BERRY: Turning back to Exhibit
6 4-H, Mr. Armstrong, does that document bear your
7 signature?

8 A Yes.

9 Q Is your signature on the last page above
10 the typewritten name "Gerald Armstrong?"

11 A Yes.

12 Q Is that also a document which Mr. Flynn
13 signed?

14 Perhaps I might help you by --
15 (Indicating)

16 A There is a space for his signature
17 beneath mine.

18 This copy is not a signed copy.

19 Q Did this document refer to arrangements
20 that also included arrangements with Mr. Flynn?

21 A Yes.

22 Q Are those arrangements specified on page
23 3 as items 11 and 12?

24 A Yes.

25 Q Was it your understanding when you signed

1 this document that Mr. Flynn was also obtaining monies
2 from Scientology?

3 A Yes.

4 Q Was it -- was is your understanding that
5 those monies included monies for the settlement of
6 lawsuits between Mr. Flynn and Scientology?

7 MR. MOXON: Objection, leading question.

8 A Yes.

9 THE REFEREE: I think they are leading,
10 Let's see if we can change the form of
11 the question.

12 MR. MOXON: Move to strike.

13 THE REFEREE: No, we'll let that answer
14 stand.

15 Let's modify it from here on out.

16 Q BY MR. BERRY: Mr. Armstrong, will you
17 tell me the conversations Mr. Flynn had with you
18 regarding him also benefiting from this agreement?

19 MR. MOXON: Objection, irrelevant. It's
20 not pursuant to -- the only relevancy stated it was to
21 reduce the pool.

22 Whatever benefits Mr. Flynn acquired out
23 of this, it doesn't go to that convoluted relevance.

24 THE REFEREE: Are we dealing --

25 Part of Mr. Yanny's theory is the fact

7 1 that these were, that the pool was depleted, not
2 2 necessarily every detail about how it was depleted.

3 MR. MOXON: Your Honor --

4 THE REFEREE: Excuse me.

5 That might not have been coherent, but
6 6 it's tending towards supporting your view.

7 MR. MOXON: If I may --

8 I accept that. However, that has nothing
9 9 to do with whatever Mr. Flynn may have acquired.
10 10 Obviously Mr. Flynn wasn't depleted as part of the
11 11 pool.

12 THE REFEREE: I know that. What I'm
13 13 saying --

14 I sustain the objection, how is that?

15 MR. MOXON: Okay.

16 Q BY MR. BERRY: Mr. Armstrong, did you
17 17 have an independent attorney when you executed this
18 18 agreement?

19 A I consulted another attorney prior to my
20 20 execution of the agreement.

21 Q Who was that attorney?

22 A Michael Walton.

23 Q Was he part of Mr. Flynn's law firm?

24 A No.

25 Q Was he separate?

7 1 A Yes.

 2 Q Where was he located?

 3 A Santa Monica.

 4 Q Why did you consult with Mr. Walton?

 5 A I had a question about the enforceability

 6 of the agreement.

 7 Q Did Mr. Walton give you any advice in

 8 that regard?

 9 A He said that for it to be enforceable it

 10 would have to be reciprocal.

 11 Q Did you --

 12 A He specifically --

 13 I asked him about the liquidated damages

 14 clause, and we discussed that specifically and the

 15 enforceability generally.

 16 And he said specifically regarding the

 17 liquidated damages that his opinion was that it would

 18 have to be reciprocal, and therefore the whole

 19 agreement would have to be reciprocal in order for it

 20 to be at all enforceable.

 21 Q Before we move on with that, did you

 22 receive any advice regarding Mr. Flynn also being a

 23 settling party as well as yourself under this

 24 agreement?

 25 A No.

1 Q Did Mr. Flynn insist that you receive
2 such advice?

3 MR. MOXON: Objection, leading question.

4 THE REFEREE: He can say yes or no.

5 A No.

6 MR. BERRY: Your Honor, I would like --

7 Am I given to understand despite this
8 being a deposition I can't ask leading questions?

9 THE REFEREE: Is this a hostile witness
10 to you?

11 MR. BERRY: I can only ask him questions
12 pursuant to subpoena according to this Settlement
13 Agreement, and he's required to avoid service of
14 process.

15 I don't know whether that makes him
16 hostile. That makes him less available.

17 MR. MOXON: There is no indication he's
18 to avoid service of process.

19 THE REFEREE: I'm trying to deal with the
20 facts as I see them.

21 So far I don't see hostility on the part
22 of the witness to answering the questions.

23 For the moment I don't believe that
24 leading questions are appropriate. You can always ask
25 them and see if they're going to get objected to. I

1 would probably sustain the objections.

2 MR. BERRY: Thank you for your kindness.

3 MR. PARKER: Your Honor would not be
4 prohibiting the witness from responding to the
5 question?

6 THE REFEREE: No, I'm not.

7 Counsel can object if he wants to. Other
8 things being equal you should certainly try to conduct
9 this in a format that would make the result as useful
10 as possible.

11 I really haven't seen any sign that Mr.
12 Armstrong is unwilling to answer questions, however
13 put.

14 MR. PARKER: There is no reason to lead.

15 Q BY MR. BERRY: Mr. Armstrong, what
16 conversations, if any, did you have with Mr. Flynn
17 regarding conflicts between yourself and Mr. Flynn, if
18 any?

19 MR. MOXON: Objection, irrelevant.

20 THE REFEREE: Overruled. You can answer
21 that one.

22 A I don't recall that we ever discussed
23 conflicts.

24 And my recollection is that the first
25 time I saw the matter of conflicts was in this

7 1 document. I believe this contains a waiver of, or at
2 2 least a recognition that there might be a conflict.

3 Q BY MR. BERRY: Aside from this document
4 4 here?

5 A I'm talking about Exhibit 4-H.

6 Q Aside from Exhibit 4-H was there any
7 7 other document regarding conflicts between you and Mr.
8 8 Flynn that you signed?

8 9 A I signed a fee agreement him with, but I
10 10 don't recall at this point if there was anything about
11 11 a conflict in there.

12 Q Was that --

13 When was that fee agreement signed?

14 A Sometime after this, although not long.
15 15 Within days of signing of the other documents.

16 Q Mr. Armstrong, you testified a few
17 17 minutes ago about an agreement being "reciprocal,"
18 18 correct?

19 A Right.

20 Q Were there any conversations with Mr.
21 21 Flynn regarding whether this agreement should be
22 22 reciprocal?

23 A Yes.

24 Q What were those conversations?

25 First of all, when were those

1 conversations held?

2 MR. MOXON: Objection, irrelevant as to
3 the stated relevance to Mr. Berry as to why Mr. Yanny
4 did what he did.

5 THE REFEREE: What's your thought Mr.
6 Berry?

7 MR. BERRY: Your Honor, if this agreement
8 is illegal, part of it's illegality is comprised of
9 its lack a reciprocity and therefore it's lack of
10 enforceability.

11 It's relevant to our drastic result
12 affirmative defense.

13 It's relevant to our justification
14 affirmative defense.

15 It's relevant to the entire circumstances
16 in which these agreements came to be made and came to
17 cause the very situation they have caused, which is
18 the silencing of witnesses and the unavailability of
19 attorneys.

20 THE REFEREE: They say whatever they say.
21 The agreements say whatever they say.

22 Are you seeking to inquire into the
23 inducement to execute the agreement?

24 Or the circumstances?

25 MR. BERRY: The circumstances of

1 execution, because those circumstances bear very
2 heavily upon their enforceability and the reliance
3 that the organization based upon them to produce the
4 situation which is so apparent to this court now, or
5 to this litigation, in this litigation.

6 THE REFEREE: Alright, overruled. You
7 may answer.

8 MR. MOXON: Could we get some foundation
9 as to whether or not the witness told these matters to
10 Mr. Yanny?

11 Unless Mr. Yanny knows about the things
12 that the witness is testifying about, then they're
13 completely irrelevant.

14 It doesn't matter what the witness thinks
15 because it only goes to apparently Mr. Yanny's state
16 of mind.

17 MR. BERRY: I don't think we need that
18 foundation, Your Honor, because Mr. Yanny may have an
19 independent source for this type of knowledge.

20 And indeed, he has testified in Yanny I
21 that he was consulted regarding the execution of these
22 agreements while he was an organization attorney.

23 THE REFEREE: I don't see the necessity
24 for it, for the limitation at the moment. I'll not
25 require it.

1 You can certainly explore it if you
2 choose to examine Mr. Armstrong.

3 A I spoke to Mr. Flynn, and I believe it
4 was December 5th -- the day prior to signing this
5 document -- 1986. And he gave me a copy of the
6 document to read at that time.

7 And when I read it, as I've stated, I was
8 shocked and heartsick by the form that the document,
9 *(P)* it's comprehensiveness and what I considered then it's *(S)*
10 unenforceability. It was absolutely impossible for me
11 to live by that document. *(er)*

12 I brought up that fact with Mr. Flynn and
13 he said it's not enforceable. He said it many ways.
14 He said "it's not worth the paper it's printed on."
15 He used that language a number of times.

16 He stated to me that he had told the
17 organization lawyers that it's unenforceable, and that
18 even though he had told them that they were insisting
19 that the settlement would not occur unless that
20 language remained just as it is.

21 The only change I was able to get him to
22 get the organization to make concerned my artwork.

23 Q BY MR. BERRY: Now, you just testified
24 that you were shocked and heartsick when you saw the
25 draft of this agreement.

1 In fact, you refer to that in paragraph
2 12 of your declaration, correct?

3 A Yeah.

4 Q What do you mean that you were "shocked
5 and heartsick?"

6 A I had been involved in litigation from
7 1982. I had been involved with the organization since
8 1969.

9 I had put a lot of effort, a lot of time
10 and a lot of heart into that battle. And it just
11 seemed like it was a total betrayal of everything that
12 I had done up to then, everything I stood for,
13 everything I testified about. And that was how I
14 felt.

15 MR. MOXON: "Betrayal" by who?

16 Q BY MR. BERRY: Did you feel --

17 MR. MOXON: I object to the ambiguity of
18 the answer and unresponsiveness.

19 MR. GREENE: Save it for
20 cross-examination Mr. Moxon.

21 THE REFEREE: Thank you.

22 It's hard to say, hard to follow
23 everything that the witness said, but I do think it is
24 an answer. Let's go forward.

25 MR. BERRY: I was satisfied with it.

8 1 MR. PARKER: I concur, it's hard to
2 follow what the witness said.

9 3 Q BY MR. BERRY: What did you mean by the
4 phrase the "battle" that you just referred to?

5 A Scientology, the organization, Hubbard,
6 the group at the top had considered me an enemy and
7 they had carried out a war campaign against me for,
8 from the time I left the organization.

9 I had, the suppressive person declare was
10 a piece of that action.

11 The lawsuit was another piece.

12 The assaults were another piece.

13 The threats were another piece.

14 The attempted criminal charges were more
15 pieces.

16 And I had looked forward to the peaceful
17 ending of the battle, and this was what I got instead.

18 MR. MOXON: Move to strike. Lack of
19 foundation.

20 THE REFEREE: I think there is enough
21 foundation.

22 Overruled.

23 Q BY MR. BERRY: Did you feel any pressure
24 to sign this agreement?

25 A A great deal.

1 Q Referring to Exhibit 4-E?

2 A Yes.

3 Q Did you explain --

4 MR. MOXON: Objection.

5 Q BY MR. BERRY: Did you explain the
6 pressure?

7 MR. MOXON: Object, lack of foundation
8 that Mr. Yanny was informed about any of this.

9 If you want to lay a foundation that
10 Yanny was informed of these matters, that's one thing.

11 What this witness felt eight years ago
12 has no conceivable relevance to this lawsuit
13 otherwise.

14 MR. BERRY: In one regard it has every
15 relevance to the continued enforceability of this
16 document which requires us to take this discovery in
17 only this form.

18 THE REFEREE: Overruled. Go ahead.

19 A The threat, the pressure? I arrived in
20 Los Angeles from Boston knowing that the settlement
21 negotiations had been going on for a long time. Some
22 months. And when I arrived, that was the first time
23 that I saw the document.

24 By that time there were already a number
25 of other people, parties here, people with claims, who

1 had already signed, other people were being flown in.
2 And it was told to me that everyone had agreed. And I
3 felt because I objected so strenuously to this thing
4 that I was positioned as a deal breaker.

5 And Flynn told me that he wanted
6 desperately out of the litigation, my other lawyers
7 wanted desperately out of the litigation. He
8 considered that his marriage had been ruined, his
9 wife's health had been ruined because of the nature of
10 the litigation, all the other witnesses on whom I
11 would later have to depend wanted out of the
12 litigation. And I was yelled at -- as I stated in
13 there -- because another one of the people desperately
14 wanted out of the litigation, a lot of people were
15 hurting financially. And so there was a great deal of
16 pressure.

17 Q BY MR. BERRY: Who yelled at you?

18 A Eddie Walters.

19 Q What was the nature of that exchange?

20 A That I was, that everyone wanted out of
21 the litigation and I was going to kill the deal for
22 everyone, and it was just my opinion and my objections
23 just didn't matter in this thing, it was bigger than I
24 was.

25 Q Did your objections seem to matter to Mr.

1 Flynn?

2 A That was part of the difficulty was that
3 Flynn did not stick up for me at all. I think he
4 sympathized, I think that he -- he knew where I was
5 coming from.

6 Q In what manner didn't he stick up for
7 you?

8 A He didn't tell Eddie Walters to cool it.
9 He didn't go back to the organization and
10 say this is ludicrous.

11 He didn't send everybody else home and
12 say "bullshit, we're not going to settle with these
13 guys."

14 Q Was there the possibility of these people
15 settling without you?

16 A I was told not.

17 Q What would have happened if this
18 settlement had not taken place?

19 MR. MOXON: Objection, calls for opinion
20 and speculation.

21 A I can tell you what I was told.

22 THE REFEREE: The objection's sustained
23 this time.

24 Q BY MR. BERRY: Were you given any
25 information as to what would happen if the settlement

9 1 didn't go down?

2 MR. MOXON: Objection.

3 Now he's calling for someone else's
4 opinion about speculation.

5 THE REFEREE: I don't know where this can
6 lead, but certainly this question can be answered yes
7 or no.

8 A The question was was I told anything?

9 Q BY MR. BERRY: Yes.

10 A Yes.

11 Q Who told you what would happen?

12 A Mike Flynn.

13 Q Anyone else?

14 A Eddie Walters, in that exchange.

15 Q Did Flynn tell you what would happen
16 before you signed this agreement?

17 A Yes.

18 Q What did he tell you?

19 A He said, among other things, all you'll
20 have to look forward to are more years of harassment
21 and misery, and everybody's going to be really upset
22 that it's not going to happen.

23 Q Did you have any understanding of what he
24 meant by "harassment and misery?"

25 A Yes.

9 1 Q What was that understanding based upon?

2 MR. MOXON: Objection, irrelevant, calls

3 for speculation.

4 A Years of harassment and misery.

5 THE REFEREE: Overruled.

10 6 You can answer.

7 A I had been through a lot of years of

8 harassment from the organization.

9 Threats.

10 Q BY MR. BERRY: Would you describe the

11 threats and harassment that you went through over

12 those years?

13 MR. MOXON: Objection, irrelevant to this

14 lawsuit. Still hasn't tied any of this to this

15 lawsuit.

16 THE REFEREE: I think we have enough

17 here. I'll sustain the objection to this line.

18 MR. BERRY: I would argue, Your Honor,

19 that it's relevant to the enforceability of this

20 agreement.

21 THE REFEREE: Well --

22 MR. BERRY: Certainly the circumstance in

23 which it was executed, including his years of

24 harassment and threats, may constitute duress.

25 THE REFEREE: There is no indication you

1 aren't going to be able to elicit this in another way
2 at another time.

3 The objection's sustained.

4 Q BY MR. BERRY: Did you have -- withdrawn.
5 To your knowledge did Mr. Flynn sign his
6 own agreement with the organization?

7 A The knowledge that I have is just him
8 telling me.

9 I did not see his agreement.

10 Q Did Mr. Flynn give you any information as
11 to any of the provisions of that agreement?

12 A Yes.

13 Q What information did Mr. Flynn give you?

14 MR. MOXON: I object, I understood that
15 we were moving on to another subject.

16 MR. BERRY: This is another subject. It
17 is the subject of attorneys agreeing not to ever
18 represent the organization on behalf of anyone,
19 anywhere, ever again.

20 It's highly relevant to our affirmative
21 defenses.

22 THE REFEREE: It may well be, but it's on
23 the periphery of what we covered.

24 You can answer.

25 A He did tell me at that time, and he

10 1 subsequently told me on many occasions that he agreed
2 to not represent anyone in any action against the
3 organization.

4 And it came down to as specific as his
5 being unwilling to give me a declaration to assist me
6 in my own litigation because of a specific agreement
7 with the organization.

8 Q BY MR. BERRY: Did he give you this
9 information prior to you signing your Settlement
10 Agreement?

11 MR. MOXON: Objection, it's outside the
12 scope of what we're dealing with here. There is no
13 foundation.

14 THE REFEREE: Overruled.

15 You can answer.

16 A I did not know the extent of it when I
17 signed because what he advised me at that point was
18 that in the event that anything happened he would
19 still be there to defend me.

20 So I had an idea that he was getting out
21 of the Scientology litigation business and would not
22 be taking any other clients. But not that this was
23 going to ^{refer} ~~infer~~ specifically to me as it has turned
24 out.

25 I also knew that I pretty well was

1 accepting by going through with the signing, that I
2 was going to be on my own at some point.

3 Q BY MR. BERRY: When did Mr. Flynn refuse
4 to give you a declaration to use in your own
5 litigation?

6 A This past month or two.

7 MR. MOXON: Can I ask that the last
8 answer be read back prior to that one?

9

10 (The record was read as follows:

11 A I did not know the extent
12 of it when I signed because what he
13 advised me at that point was that in the
14 event that anything happened he would
15 still be there to defend me.

16 So I had an idea that he was
17 getting out of the Scientology litigation
18 business and would not be taking any
19 other clients. But not that this was
20 going to ^{refer}infer specifically to me as it
21 has turned out.

22 I also knew that I pretty well was
23 accepting by going through with the
24 signing, that I was going to be on my own
25 at some point.)

1 Q BY MR. BERRY: Did you have a reaction
2 when Mr. Flynn refused to execute the declaration on
3 your behalf within the last month?

4 MR. MOXON: Objection, irrelevant to this
5 case.

6 Lack of foundation, that Yanny knows
7 about any of this reaction, even if it was relevant.

8 THE REFEREE: Sustain this one.

9 A (No response)

10 Q BY MR. BERRY: How did you feel when Mr.
11 Flynn refused to sign a declaration on your behalf?

12 MR. MOXON: Same objection.

13 Also calls for an opinion and a feeling
14 which is not in evidence.

15 MR. BERRY: It goes to whether Mr. Flynn
16 made any misrepresentations to this client regarding
17 the execution of this agreement which one's agreeing
18 would go to enforceability of this agreement and our
19 ability to go outside this room for interviewing this
20 witness.

21 MR. MOXON: How Mr. Armstrong felt?

22 MR. BERRY: Yes.

23 If he felt Mr. Flynn was going to be
24 there for him and suddenly he wasn't there for him
25 when he executed a declaration, that would be relevant

10 1 to his reliance on Mr. Flynn's representations.

2 THE REFEREE: Sustained.

3 Let's take a ten minute break folks.

4

5 (Recess taken.)

6

7 MR. BERRY: Back on the record.

8 Q BY MR. BERRY: Mr. Armstrong, turning to

9 Exhibit 4-J of the Indemnity Agreement?

10 A (Complying)

11 Q What were the circumstances that led to

12 the execution of that agreement?

13 MR. GREENE: Objection, no foundation.

14 A (No response)

15 Q BY MR. BERRY: Mr. Armstrong, have you

16 seen Exhibit 4-J before?

17 A Yes.

18 Q When was the first occasion in which you

19 saw it?

20 A ~~It was in the Scientology organization.~~

21 It was in a document entitled "settlemental appendix"

22 which was filed in the court of appeal by the

23 Scientology organization at the end of 1989, in the

24 appeal that they took from the Breckenridge 1984

25 decision.

10

1 Q Prior to that time had you any knowledge
2 of its existence?

3 A No.

4 Q Turning back to Exhibit 4-E, page 11?

5 A (Complying)

11

6 Q Paragraph 17, at the very last sentence
7 of that paragraph at the foot of 18, you refer to the
8 "charade of a videotaped signing."

9 What do you mean by that?

10 MR. MOXON: Objection, irrelevant.

11 A There was such --

12 THE REFEREE: Excuse me. Overruled.

13 You can answer.

14 A It was such a big production, the
15 videotaping of this document that Michael Flynn, my
16 lawyer, had advised me was unenforceable. Even though
17 I understood it to be unenforceable, the document was
18 still repulsive to me.

19 And I had to, I put on -- I agreed to go
20 through it. I saw the whole thing as a charade. And
21 I did, I put on a happy face.

22 Q BY MR. BERRY: Why did you feel you had
23 to?

24 A It seemed that there were so many people
25 depending on me, and it was also I considered an olive

11 1 branch from my side in the hope that the organization
2 2 would do what Flynn was representing to me they were
3 3 going to do, that was⁶⁶, get out of the litigation
4 4 business.⁹⁹

5 Q Where did the videotaping take place?

6 A It was in a hotel in Westwood I believe.

7 Q Who was present?

8 A Mike Flynn.

9 Larry Heller.

10 Mike Sutter.

11 And somebody else I didn't know. The
12 videotaping person I don't think I knew.

13 Q You mentioned Mr. Heller, correct?

14 A Right.

15 Q Have you had subsequent dealings with Mr.
16 Heller?

17 A Yes.

18 Q How did you come to have subsequent
19 dealings with Mr. Heller?

20 MR. MOXON: Objection.

21 Q BY MR. BERRY: Who is Mr. Heller?

22 A He's a lawyer for the organization.

23 Q How have you come to have subsequent
24 dealings with him?

25 MR. MOXON: Objection, irrelevant Your

11

1 Honor. He hasn't tied this to Yanny's knowledge of
2 anything concerning these agreements.

3 Lacks foundation also.

4 THE REFEREE: What's the connection here
5 Mr. Berry?

6 MR. BERRY: The connection here is that
7 it appears that this Settlement Agreement has been
8 used by Mr. Heller as a means to try and silence this
9 witnesses testimony, despite its terms which permit
10 him to give evidence under subpoena.

11 That is relevant to the organization's
12 behavior both to this witness and to the judicial
13 system in general, as reflected in a 9th affirmative
14 defense of illegality.

15 THE REFEREE: Your question was what
16 direct contacts did the witness have with Mr. Heller?

17 MR. BERRY: What circumstance, and then
18 I'll follow up with what Mr. Heller told and said to
19 Mr. Armstrong.

20 MR. MOXON: That's irrelevant with
21 respect to this case. What has that got to do with
22 Mr. Yanny's state of mind?

23 He hasn't tied any of this to what Mr.
24 Armstrong has told Mr. Yanny or how Mr. Yanny might
25 have learned what this witness felt or knew or had to

1 do with Mr. Heller, or the agreements or anything
2 else. It's completely -- there is a substantial lack
3 of foundation for all of these questions.

4 THE REFEREE: I think part of Mr. Yanny's
5 theory, if I understand it, is he seeks to prove a
6 defense in the nature of necessity and some kind of
7 pattern of conduct.

8 So overruled, and you may answer.

9 MR. MOXON: I understand that defense
10 that he's raised. But what Mr. Berry has not done is
11 indicate that this witness imparted any of his
12 knowledge he's just testified about -- for the last
13 half hour -- to Mr. Yanny.

14 Without that knowledge being imparted to
15 Mr. Yanny, whatever happened anywhere is completely
16 irrelevant to Mr. Yanny's state of mind.

17 MR. BERRY: I would ask Mr. Moxon, that
18 he have the courtesy to make his objections and let
19 them lie.

20 During his examination we made our
21 objections and then let them lie for the trial court
22 to determine.

23 THE REFEREE: Thank you.

24 But anyway, the objection's overruled and
25 you may answer.

11

1 A I received a deposition subpoena in the
2 case of Bent Corydon versus Scientology. And I was
3 called after receiving the subpoena by Larry Heller.
4 And there were three telephone calls from Mr. Heller
5 during October and November of 1989.

6 And during that series of telephone calls
7 he threatened me a couple of times, I believe three
8 times, with lawsuits if I were to testify about my
9 experiences in the organization.

10 He mentioned specifically on the Hubbard
11 archives post and he mentioned specifically Hubbard
12 misrepresentations. For example, that he was a
13 nuclear physicist. Mr. Heller said if I were to
14 testify about that that that would be a breach of the
15 Settlement Agreement and that I would be sued. Mr.
16 Heller wanted me to refuse to answer any questions in
17 a deposition and force the Corydon side to bring a
18 motion to compel.

19 He further said that if they were awarded
20 sanctions as a result of my refusal to testify that
21 the organization would pay the sanctions.

22 He also offered to have a lawyer
23 represent me. And he wanted to -- I asked if it could
24 be a lawyer of my choice and he said okay, as long as
25 the lawyer did what they wanted. What they wanted was

12

1 refusal to answer pursuant to subpoena.

2 Q BY MR. BERRY: Did anything happen as a
3 result of those conversations that you had with Mr.
4 Heller?

5 A I then -- well, Mr. Heller filed a
6 document in the Corydon case attempting to stop the
7 deposition from going forward.

8 And I prepared a declaration which laid
9 out all of the conversations that I had with Mr.
10 Heller, and took the position at that point that I had
11 to oppose the Settlement Agreement and I had to take a
12 stand against what the organization was doing.

13 Q Did a deposition take place?

14 A Yes.

15 Q Did anything happen at that deposition
16 that seemed to relate back to these conversations?

17 MR. MOXON: I have a continuing
18 objection, lack of foundation of Yanny's knowledge of
19 any of this, which is the only conceivable relevance.

20 THE REFEREE: I will note the objection.
21 Go ahead.

22 A The deposition went forward and I was not
23 sued as a result of the testimony that I gave.

24 Q BY MR. BERRY: Was Mr. Heller present at
25 that deposition?

1 A I believe he was.

2 Q Were you represented by your own attorney
3 at that deposition?

4 A No.

5 Q Was someone representing you?

6 A At that time?

7 Q Yes.

8 A (No response)

9 Q Did an attorney appear at that deposition
10 to represent your interests?

11 A I don't believe so.

12 Q Did any attorney at that deposition give
13 you instructions as to whether you should or should
14 not ask questions?

15 MR. MOXON: Answer.

16 A Not on my behalf in any case.

17 Q BY MR. BERRY: On someone else's behalf?

18 A I don't recall if I was instructed at
19 that time not to answer or whether or not there was,
20 my answers were simply objected to. I would have to
21 look at the transcript.

22 Q Did there come a time when you were
23 instructed not to answer questions by an organization
24 attorney?

25 MR. MOXON: Continuing objection to the

1 relevance and lack of foundation to this case.

2 THE REFEREE: Whether he was instructed
3 by an organization attorney, I'm going to sustain the
4 objection to that. I don't really see the point to
5 that.

6 Obviously the organization people didn't
7 want him to testify. But let's go forward.

8 Q BY MR. BERRY: Referring to paragraph 22
9 of your declaration, Exhibit 4-E, why did you consider
10 that you were "being blackmailed," as referred to in
11 that paragraph?

12 A This was a dream which I had in 1985.
13 And I had written it down and sent it to a person who
14 I thought was a friend at that time. And he later
15 advised me that the organization was stealing his
16 mail. And they had this document and they had filed
17 it in my case in L.A. Superior Court.

18 And then in 1988 when Bent Corydon had
19 been successful in bringing a motion to unseal the
20 Armstrong court file, and gain access to it -- and I
21 was called at that time by Michael Flynn and he told
22 me at that time that an organization lawyer had called
23 him and said that this dream was going to come out,
24 and that they wanted me to oppose the unsealing of the
25 court file, otherwise this dream was going to come

1 out.

2 The dream itself was actually in its own
3 sealed envelope within ~~this greater body of the~~
4 greater body of the court file. So I don't think it
5 would have been specifically unsealed.

6 However, that threat was made at that
7 time. And I considered it blackmail because it is a
8 fairly embarrassing recitation of a dream.

9 Q Did Mr. Flynn tell you who the lawyer was
10 that had called him in this regard?

11 A I think Michael Lee Hertzberg.

12 Q Do you have any knowledge as to who Mr.
13 Michael Lee Hertzberg is?

14 A Yes.

15 Q Who is he?

16 A He's an organization lawyer known to me.

17 Q Mr. Armstrong, to your knowledge have you
18 been under surveillance since executing the Settlement
19 Agreement that we have just been discussing?

20 MR. MOXON: Objection, irrelevant.

21 THE REFEREE: Overruled.

22 You may answer.

23 A There have been times when I have
24 positively identified surveillance since the
25 settlement.

12

1 Q BY MR. BERRY: Can you list times on
2 which that occurred?

3 A For sure in August this past year, August
4 and into September.

5 Q On what do you base your understanding
6 that, or your belief that surveillance was occurring?

7 A I was able to observe the use of video
8 cameras, and I also have seen some of the fruits of
9 the surveillance. It was included in documents filed
10 by the organization.

11 Q What were those "fruits of surveillance"
12 as you call them?

13 MR. MOXON: Continuing objection of
14 irrelevance to this case and what it has to do with
15 these issues has not been revealed as to any of the
16 defenses that are at issue in this case.

17 THE REFEREE: Overruled. Let's go
18 forward.

19 A They included photographs of me and they
20 included declarations authored by private
21 investigators covering a period of time in August of
22 last year.

23 Q BY MR. BERRY: Showing you next in order,
24 I think it's --

25 Do they appear to be photocopies of

1 photographs of that surveillance taken of you?

2 A Yes.

3 Q You assume that occurred within the last
4 two years?

5 A Yes.

6 Q Any other occasions that you can remember
7 surveillance occurring on?

8 MR. MOXON: In his lifetime?

9 Q BY MR. BERRY: Within the last two years?

10 MR. MOXON: Objection as to relevance to
11 this case.

12 THE REFEREE: Same ruling.

13 A I have, what I called, picked up
14 surveillance, but I have never made --

15 Well no, I was photographed on another
16 occasion approximately three weeks ago. That was a
17 positive identification.

18 There have been other instances where I
19 have picked up surveillance but I have not made
20 positive identifications.

21

22 (The document referred to was
23 marked by the CSR as Exhibit 4-K for
24 identification and attached to and
25 made a part of this deposition.)

1 MR. BERRY: Showing you what I will have
2 marked as Exhibit 4-L.

3

4 (The document referred to was
5 marked by the CSR as Exhibit 4-L for
6 identification and attached to and
7 made a part of this deposition.)
8

9 Q BY MR. BERRY: Do you recognize this
10 document?

11 A Yes.

12 Q How do you recognize this document?

13 A I wrote it and signed it.

14 Q Was it written and signed on or about
15 August 21, 1991, the date on there?

16 A Yes.

17 Q Will you explain the circumstances that
18 led to the writing of that letter?

19 MR. MOXON: Objection, calls for a
20 narrative.

21 THE REFEREE: You can answer that.
22 Briefly.

23 A The circumstances are exactly as
24 described in the document itself.

25 I was then working at Mr. Greene's office

1 and became aware of private investigators, and
2 identified them as I've stated here.

3 Q BY MR. BERRY: Showing you a document
4 I'll ask to be marked as Exhibit 4-M, entitled " On
5 Control and Lying," have you seen that document
6 before, or a document such as that before?

7 MR. MOXON: Objection, lack of
8 foundation.

9 Irrelevance to this case.

10 MR. BERRY: I'm trying lay the
11 foundation, Your Honor.

12 THE REFEREE: Go ahead.

13 A I have only seen this document in the
14 last couple of years.

15

16 (The document referred to was
17 marked by the CSR as Exhibit 4-M for
18 identification and attached to and
19 made a part of this deposition.)

20

21 Q BY MR. BERRY: Do you have a belief as to
22 where the document originated?

23 MR. MOXON: Objection, calls for an
24 opinion.

25 Lack of foundation as to what his belief

1 could be as to this.

2 THE REFEREE: First you can say yes or
3 no, then you can see if there is anything to it, what
4 the foundation might be.

5 Q BY MR. BERRY: Mr. Armstrong, in the
6 course of your experience with the organization did
7 you come to see many different organization documents?

8 A Yes.

9 Q In the course of -- withdrawn.
10 Does this appear to you to be an
11 organization document or a copy of an organization
12 document?

13 A It appears to be.

14 MR. MOXON: Lack of foundation.
15 Objection.

16 THE REFEREE: Overruled.

17 Go ahead.

18 Q BY MR. BERRY: Do you have any knowledge
19 of the statement "the only way you can control people
20 is to lie to them?"

21 MR. MOXON: Objection, that's ambiguous.

22 THE REFEREE: Sustained.

23 Q BY MR. BERRY: In connection with
24 Scientology do you have any knowledge of the statement
25 "the only way you can control people is to lie to

1 them?"

2 A I did not see that, not that I recall in
3 any case, specifically stated in documents that I saw.

4 Q Did you hear any discussions while you
5 were in Scientology as to that statement or statements
6 to that effect?

7 MR. MOXON: Objection, the witness has
8 indicated he doesn't have any such knowledge, so the
9 foundation has not been laid here for anything
10 regarding this document or this statement.

11 THE REFEREE: You never saw that
12 anywhere?

13 Did you ever hear that anywhere?

14 A I have some knowledge with regards to the
15 subject of lying as it was applied pursuant to policy
16 in the organization.

17 Q BY MR. BERRY: What is that knowledge?

18 A That was that people were drilled to lie.
19 It was expected that they lie.

20 Hubbard created the concept called an
21 acceptable truth, which was in essence a way of lying.
22 I myself drilled people, I instructed people, trained
23 them in the procedure of lying.

24 Q What do you mean by "drilled people?"

25 A We created what were called short stories

13 1 which were covers or lies that one had to adopt.

2 And the drilling took the form of running
3 them through what their cover was, what their short
4 story was, and then asking them questions about their
5 short story and then getting more detailed and more
6 invasive to make sure that the short story and the
7 cover would hold up.

8 Q Why was it necessary to have a short
9 story?

14 10 A Because of the idea that the truth of who
11 we were and what we were up to and what our policies
12 actually were was too damaging.

13 Q So can you describe what some of these
14 short stories were?

15 A For example --

16 MR. MOXON: Can I have a continuing
17 objection?

18 He hasn't laid any of the foundation for
19 any conceivable relevance to this case, even if any of
20 this was remotely true.

21 THE REFEREE: What's the point of going
22 into specifics here?

23 MR. BERRY: Your Honor, it's relevant to
24 the credibility of witnesses that the organization may
25 drill on this matter if there is such a drilling

1 process in effect.

2 THE REFEREE: I don't know that examples
3 would add anything particular, so the objection's
4 sustained.

5 Q BY MR. BERRY: When you left the
6 organization was that drilling procedure still being
7 carried out to the best of your knowledge?

8 MR. MOXON: Objection.

9 By referring to the question he's asking
10 him if he knows something happened after he was no
11 longer in a position to know.

12 THE REFEREE: Sustained, just as to form.

13 A (No response)

14 Q BY MR. BERRY: At the time you left the
15 organization was the practice still being carried out?

16 MR. MOXON: Same objection. Same
17 question.

18 THE REFEREE: It's a different question
19 and a different ruling.

20 You may answer that.

21 A Yes.

22 Q BY MR. BERRY: Have you been subject to
23 the application of the fair game doctrine since you
24 signed your Settlement Agreement?

25 MR. MOXON: Objection, lack of

1 foundation, that there is any such doctrine.

2 MR. BERRY: We had extensive testimony,
3 Your Honor, last session on the fair game doctrine.

4 THE REFEREE: We had some testimony, for
5 whatever it amounted to.

6 So you may answer.

7 MR. MOXON: I also have an objection as
8 to relevance to this case.

9 It's still not asserted that Yanny knows
10 anything about that.

11 THE REFEREE: Your objection is noted.
12 Go ahead.

13 A Yes.

14 Q BY MR. BERRY: What do you base your
15 belief upon, or perhaps -- withdrawn.

16 Can you give me some examples of the use
17 of the fair game doctrine against you since you signed
18 your Settlement Agreement?

19 A The use of the materials from the
20 Armstrong case, itself in violation of the sealing
21 orders by the organization.

22 The charges made in various courts that
23 I'm a provocateur of the U.S. Government.

an agent
24

25 Knowingly perjured declarations by
organization operatives or lawyers concerning me and

14 1 my activities.

2 The surveillance itself.

3 The concocting of the attack on Joe Yanny
4 using this non-existent representation.

5 The lawsuit that -- the motion to
6 enforce.

7 And the lawsuit to enforce up in Marin
8 County.

9 Q Turning your attention back to Exhibit
10 4-E, on page 12, paragraph 28, you refer to being --
11 you refer to a "Dead agent pack."

12 What do you mean by that?

13 A Which page?

14 Q Page 12.

15 A A "dead agent" is a concept created by
16 Hubbard in which an agent who is supposedly spreading
17 stories about you ^Λ a lie, an untruth in his story, is CAP
18 found. And that is documented.

19 And then that documented fact is
20 circulated to all of the people to whom the agent has
21 communicated, and then he will become essentially
22 dead, he will be killed by those people who have
23 earlier trusted him. So you've destroyed his
24 credibility and as an agent he is dead.

25 And this pack of materials was a dead

1 agent pack put out to dead agent Bent Corydon. Bent
2 Corydon had written a book about Hubbard, and this is
3 a pack of materials to discredit Bent Corydon.

4 Q Are you aware of any other dead agent
5 packs that have been issued by the organization?

6 A With regard to me?

7 Q With regard to anyone?

8 A I saw a number of dead agent packs inside
9 the organization.

10 And I have become aware of dead agent
11 materials which the organization has created about me
12 since the settlement. But as yet I do not have them.

13 Q Is a dead agent pack anything akin to the
14 B-1 intelligence pack?

15 MR. MOXON: Objection, lack of
16 foundation.

17 THE REFEREE: Sustained as to form.

18 A (No response)

19 Q BY MR. BERRY: What is the B-1
20 intelligence pack?

21 A That is a manual for training
22 intelligence personnel in the organization.

23 MR. MOXON: Move to strike. Lack of
24 foundation.

25 THE REFEREE: How do you know that?

14 1 THE WITNESS: I had possession of the
2 pack inside the organization, and I had possession of
3 the pack after I obtained a copy of the B-1 manual, or
4 the intelligence hat pack at my deposition in the
5 Corydon case.

6 Q BY MR. BERRY: What sort of things are in
7 the B-1 intelligence manual?

8 MR. MOXON: Objection, relevance to this
9 case, still not tied together.

10 There is nothing here that's relevant to
11 this case.

12 THE REFEREE: Overruled.
13 You can answer.

15 14 A There are a number of Hubbard policies on
15 intelligence and related activities, and there are
16 policies and orders relating to specific aspects of
17 intelligence.

18 It's a pack of probably a couple of
19 hundred orders and policies.

20 Q BY MR. BERRY: Can you remember any of
21 those orders and policies?

22 A Yes.

23 Q Can you give us some examples of those
24 orders and policies?

25 MR. MOXON: Objection, irrelevant.

1 THE REFEREE: You can give some examples,
2 then let's go forward.

3 A Hubbard's policy called "the war."

4 One called "terror stalks."

5 There is a list of Hubbard recommended
6 intelligence books.

7 There is instructions on bugging,
8 burglary.

9 There are, there is a document called
10 "List of Successful and Unsuccessful Actions."

11 Those are all that come to mind right
12 now.

13 Q BY MR. BERRY: What would the ones on
14 bugging and burglary describe?

15 MR. MOXON: Objection, irrelevant.

16 Lack of foundation.

17 THE REFEREE: Well, one more time. You
18 can answer.

19 MR. MOXON: No assertion in this case,
20 Your Honor, that anything this witness believes, his
21 opinions or whatever he thinks has happened 20 years
22 ago has any conceivable relevance to this case.

23 THE REFEREE: Thank you.

24 You may answer.

25 A The one, a bugging describes methods of

15 1 bugging, infinity transmitters, direct wire bugging or
 2 coil pick ups.

 3 Phone bugging.

 4 MR. BERRY: Showing you Exhibit 4-M.

 5
 6 (The document referred to was
 7 marked by the CSR as Exhibit 4-N for
 8 identification and attached to and
 9 made a part of this deposition.)

10
11 Q BY MR. BERRY: Entitled "INT Hatting, The
12 Strike," would that be a document from the B-1
13 intelligence pack?

14 MR. MOXON: Object to the form of the
15 question. If something would or would not be.

16 THE REFEREE: Sustained just as to form.

17 Q BY MR. BERRY: Is that a document from
18 the B-1 intelligence pack?

19 MR. MOXON: Objection, lacks foundation.
20 Lack of relevance.

21 THE REFEREE: The answer?

22 A I have seen this.

23 I don't think that the copy I had had the
24 notations on the bottom. But it is a policy from the
25 B-1 hat pack.

1 MR. BERRY: I'm showing you Exhibit 4-0.

2 MR. MOXON: Move to strike the last
3 answer as lack of foundation.

4 THE REFEREE: It's in -- for whatever
5 it's worth.

6

7 (The document referred to was
8 marked by the CSR as Exhibit 4-0 for
9 identification and attached to and
10 made a part of this deposition.)
11

12 Q BY MR. BERRY: With regard to the last
13 document, 4-N, did I correctly hear you to say that
14 you had seen that and it was part of the hat pack?

15 A Right.

16 Q Showing you 4-0, which is a letter dated
17 May, appears to be a letter dated 20 May, 1975,
18 addressed to "Dear Michael," have you seen that
19 document before?

20 A Yes.

21 MR. MOXON: Objection, lack of relevance
22 to this case.

23 Q BY MR. BERRY: Could you describe what
24 that document is?

25 MR. MOXON: Your Honor, we could go

15

1 through hundreds of documents.

2 How they have any conceivable relevance
3 to this case has not been explained by Mr. Yanny's
4 counsel.

5 THE REFEREE: I'm sure there comes a time
6 when they can't have anything but a cumulative effect.

7 What is this?

8 MR. BERRY: That appears to be a document
9 describing how one can carry out burglaries and
10 breaking and entries which is part of our 9th
11 affirmative defense of illegality.

12 THE REFEREE: Illegality of what?

13 MR. BERRY: Illegality of conduct by this
14 organization that would preclude it from the equitable
15 relief they seek in this litigation.

16 MR. MOXON: They're claiming something
17 happened in 1975 that Mr. Yanny knew of.

18 But if something happened in 1975 that
19 was allegedly illegal by a former client, it permits
20 him to breach the client's attorney-client
21 responsibilities 15 years later? That's ridiculous.

22 THE REFEREE: Thank you.

23 The objection's sustained.

24 A (No response)

25 Q BY MR. BERRY: Mr. Armstrong, are you

15

1 aware of any acts of fair game as against Mr. Yanny?

2 A I think, at least what comes to mind
3 right now

4 THE REFEREE: First, yes or no.

5 A Yes.

6 MR. MOXON: Objection, lack of
7 foundation.

8 THE REFEREE: Let's go into the
9 foundation.

10 Q BY MR. BERRY: What's the basis of your
11 knowledge as to acts of fair game by the organization
12 against Mr. Yanny?

13 A I consider this lawsuit which involves me
14 an act of fair game.

15 Q Do you have knowledge as to the use of
16 lawsuits as part of the fair game doctrine?

17 A Yes.

18 Q What is that knowledge?

19 A It is right within the fair game policy
20 to sue people who are declared enemies of the
21 organization.

22 I am familiar with the organization's use
23 of the law to harass and manipulation of the courts in
24 attacking what they consider are enemies, using the
25 judicial system.

MR. MOXON: Objection, move to strike,
lack of foundation.

Q BY MR. BERRY: What's the basis of your knowledge in that regard?

A I have been personally involved in litigation with them since 1982.

I saw attacks on, legal attacks on myself, legal attacks on Michael Flynn, legal attacks on Ford Greene, and the threat of litigation against a number of my friends and associates.

Q While you were within the organization did you acquire any knowledge as to the use of the law as an instrument of harassment?

MR. MOXON: Objection, lack of foundation.

Irrelevant to this case.

THE REFEREE: Overruled.

You may answer.

A I was aware of it.

I was not, myself, directly involved in Scientology litigation inside the organization.

MR. MOXON: I move to strike. Lack of foundation.

THE REFEREE: Well, a little more follow up.

1 Q BY MR. BERRY: How did you become aware
2 of it while you were within the organization?

3 MR. MOXON: Objection, ambiguous.

4 Q BY MR. BERRY: How did you become aware
5 of the use of the law as an instrument of harassment
6 while you were within the organization?

7 A I became aware of actions taken against
8 Paulette Cooper in which there was an attempt to have
9 her locked up.

10 I became aware of attempted use of the
11 law against Gene Allard ~~Jean Allard~~ inside the organization. And
12 I was aware of the fair game policy itself.

13 MR. MOXON: Move to strike the entire
14 answer.

15 Lack of foundation, alleged awareness of
16 something. No foundation.

17 THE REFEREE: Well, in what capacity did
18 you become aware of this? Or how did you become
19 aware?

20 THE WITNESS: I first became aware of the
21 fair game policy when I was in the port captain's
22 office on board the ship, 1971 and 1972.

23 And I had the fair game policy at that
24 time in our PR and legal files.

25 And I also had our public relations

1 answer to fair game in those files.

2 MR. MOXON: Move to strike.

3 He hasn't responded, laid any foundation
4 for any of that alleged litigation.

5 THE REFEREE: Had you finished?

6 MR. MOXON: Yes I have Your Honor.

7 I suggest if Mr. Berry can't lay any
8 foundation for it -- I know the court is trying to be
9 helpful, but I don't know that it would be appropriate
10 for the court to try to lay the foundation for Mr.
11 Berry.

12 THE REFEREE: That's a fair comment.

13 So far I'll sustain the objection.

14 Q BY MR. BERRY: Did you yourself see the
15 fair game policy in the PR legal files?

16 A Yes.

17 Q Was it the same policy that you have
18 described earlier in this deposition as being the fair
19 game policy?

20 A Yes.

21 Q Did you yourself see the PR response in
22 those files?

23 A Yes.

24 Q What was the PR response?

25 A That we will cease to use the term "fair

1 game."

2 Q Was there an exception to that PR
3 response?

4 A Nothing really changed.

5 People continued to be declared
6 suppressive persons, and the policy stated that
7 nothing changed the way that suppressive persons would
8 be handled, dealt with.

9 Q Did you acquire any specific knowledge
10 with regard to the Alleard case while you were with
11 the the organization?

12 MR. MOXON: Objection, irrelevant.

13 MR. BERRY: I'm laying a foundation.

14 MR. MOXON: Any knowledge he acquired as
15 to a case which occurred in the very early sixties,
16 more than 10 years before Yanny represented the
17 Church, doesn't have any conceivable relevance.

18 THE REFEREE: I think there is enough
19 foundation now. Let's don't get any more specific.

20 MR. MOXON: This whole line of
21 questioning is completely irrelevant. We're just
22 wasting our time.

23 Q BY MR. BERRY: The basis for your
24 experience, Mr. Armstrong, do you have a belief as to
25 whether Mr. Yanny is considered by the organization to

1 be a suppressive person?

2 A Yes.

3 Q What's the basis of that belief?

4 MR. MOXON: I also object, this was
5 something that was gone over in excruciating detail
6 with Judge Cardenas, and he has completely objected to
7 all of this. In the first trial he threw all this
8 out.

9 Apparently Mr. Berry wants it for some
10 other purpose or Mr. Greene for some other purpose or
11 Mr. Yanny for some other purpose in representing the
12 Aznarans. I don't know what it is. But paying the
13 court to get this information is --

14 MR. BERRY: If Mr. Moxon will stipulate
15 to the res judicata effect of Yanny I we might have
16 something to talk about.

17 I guess he's not. Then this is another
18 case, it's time.

19 THE REFEREE: It's the same judge, but --

20 MR. MOXON: I'm going to stipulate
21 anything that is res judicata in Yanny I is res
22 judicata in this case.

23 THE REFEREE: Alright fellas.

24 You may ask the question. You may answer
25 the question.

16 1 A I consider that the organization
2 considers Yanny a suppressive person and they act
3 accordingly.

4 MR. MOXON: Move to strike, double
5 opinions of other persons.

6 Lack of foundation.

7 THE REFEREE: It's his opinion for
8 whatever it's worth.

17 9 Q BY MR. BERRY: What's the basis of your
10 opinion?

11 A The way that they -- my long history in
12 the organization in which I became intimately familiar
13 with, knowledgeable of the concept of suppressive
14 persons and the way they are considered and dealt
15 with.

16 And my knowledge of what the organization
17 is doing in this case with regards to Yanny and me.

18 Q What is the source of your knowledge as
19 to the manner in which suppressive persons are dealt
20 with?

21 A There are written policies on the
22 subject.

23 There have been parts of books written by
24 Hubbard on the subject.

25 And then there is the body of secret

1 unpublished works in Scientology on the subject.

2 Q What are the secret unpublished works on
3 the subject?

4 A Those are operations, programs.

5 MR. MOXON: Objection, lack of
6 foundation.

7 THE REFEREE: Overruled.

S 8 A Programs and operation, very specific
9 targets of acts to be carried out against suppressive
10 persons.

11 MR. MOXON: Objection, the witness is
12 hallucinating.

13 Move to strike, lack of foundation.

14 THE REFEREE: You can go ahead.

15 In fact, I think we're going to take a
16 five minute break.

17

18 (Recess taken.)

19

20 MR. BERRY: Back on the record.

21 Q BY MR. BERRY: Mr. Armstrong, do you
22 recall any specific targets that you just referred to?

23 MR. MOXON: Objection, irrelevant.

24 THE REFEREE: Targets of what?

25 MR. BERRY: The witness was testifying

1 about the basis for his knowledge of fair game and
2 articles, books, recently the secret unpublished work.
3 He referred to specific targets.

4 THE REFEREE: Well, I'll cut this short
5 early on in the, something in the nature of 352
6 grounds.

7 He's testified to the existence of the
8 concept that in his work experience it exists and that
9 he believes it's directed at Mr. Yanny.

10 Let's go to another area.

11 Q BY MR. BERRY: Just one final question.

12 Do you have knowledge of lawsuits being
13 filed by the organization without any real basis?

14 MR. MOXON: Objection, lack of
15 foundation.

16 THE REFEREE: First, yes or no.

17 A Yes.

18 Q BY MR. BERRY: What's the basis of that
19 knowledge?

20 MR. MOXON: Objection. It's his opinion.

21 THE REFEREE: What the basis of your
22 knowledge or opinion, whatever it turns out to be?

23 A This lawsuit here in which Yanny has
24 never represented me and I have stated from the get go
25 he has never represented me.

1 Not even the people who have supposedly
2 verified the complaint have not come forward with one
3 instance in which he has represented me. And it
4 continues, and this is a perfect example of a
5 manufactured lawsuit out of whole cloth.

6 MR. BERRY: I have no other questions.

7 MR. MOXON: I do.

8 MR. GREENE: I trust they won't be the
9 products of your hallucinations.

10 THE REFEREE: Now gentleman.

11

12 EXAMINATION

13

14 BY MR. MOXON:

15 Q Mr. Armstrong, did you have any
16 communications with Mr. Berry prior to your deposition
17 concerning what questions you would be asked at your
18 deposition?

19 A No.

20 Q Did you have any communications with
21 anyone as to what questions you would be asked at this
22 deposition?

23 MR. GREENE: Objection to the extent that
24 any answer would impinge on the attorney-client
25 communication between Mr. Armstrong and I.

1 Don't answer the question. Otherwise
2 you're free to answer it.

3 A No.

4 Q BY MR. MOXON: Did you speak to Mr. Yanny
5 since your last deposition?

6 A Yes.

7 Q When?

8 A On approximately March 20th, and perhaps
9 a couple of times between then and two days ago was
10 the last time I spoke to him.

11 Q Did Yanny talk to you about the
12 deposition?

13 MR. GREENE: This deposition or some
14 other deposition?

15 MR. MOXON: His deposition in this case.

16 Did Yanny talk to you about your
17 deposition in this case?

18 MR. BERRY: Objection, attorney-client
19 privilege.

20 Attorney work product privilege.

21 Priest-penitent 10th privilege.

22 Instruct the witness not to answer except
23 to the extent he can do so without violating any of
24 those privileges.

25 MR. GREENE: I join in that.

1 A Other than the fact of scheduling and
2 that I would be down here for this deposition, no.

3 Q BY MR. MOXON: Mr. Berry just gave you an
4 instruction. Mr. Greene joined in it.

5 Is your answer limited by that
6 instruction?

7 MR. BERRY: I should hope so.

8 THE REFEREE: Well, I don't know whether
9 it was or not. So you can certainly answer that
10 question.

11 A No.

12 Q BY MR. MOXON: You're saying --

13 THE REFEREE: If I understood the thrust
14 of the answer, counsel, it was that the only thing
15 that he discussed with Mr. Yanny was the scheduling of
16 the deposition.

17 Did I understand you correctly?

18 THE WITNESS: Right.

19 Q BY MR. MOXON: So you didn't have any
20 priest-penitent communications, alleged
21 priest-penitent communications with Yanny about your
22 deposition?

23 MR. BERRY: Objection --

24 MR. GREENE: Objection, argumentative.

25 Use of the term "alleged" is itself

17
18

1 argumentative in nature.

2 THE REFEREE: You may answer that one.

3 A No.

4 Q BY MR. MOXON: You didn't have any
5 alleged attorney-client communications with Yanny
6 about your deposition?

7 MR. GREENE: Argumentative as to the use
8 of the term "alleged."

9 MR. BERRY: Asked and answered.

10 THE REFEREE: It's already been asked and
11 answered counsel, let's go to something else.

12 A (No response)

13 Q BY MR. MOXON: In Exhibit 4-F, which Mr.
14 Yanny's attorney showed you, there are a number of
15 charges that were made against you, numbered 1 through
16 18.

17 Would you please direct your attention to
18 No.1?

19 Had you ever stolen anything from any
20 Church organization?

21 MR. GREENE: Objection, calls for a legal
22 conclusion.

23 THE REFEREE: Well, sustained just as to
24 the form of the question.

25 If you could ask him if he has ever been

1 convicted, ever been charged with that kind of thing
2 in a criminal sense of the word, or you can put it any
3 number of other ways.

4 MR. MOXON: This is an ecclesiastical
5 manner.

6 Q BY MR. MOXON: My question is have you
7 ever taken anything from the organization you weren't
8 entitled to take?

9 MR. BERRY: Objection, Armstrong I dealt
10 with that issue in favor of this witness.

11 MR. GREENE: Compound.

12 THE REFEREE: You can answer the
13 question.

14 MR. MOXON: Answer.

15 MR. GREENE: Would you read the question
16 back please?

17

18 (The record was read as follows:

19 Q BY MR. MOXON: My question
20 is have you ever taken anything from the
21 organization you weren't entitled to
22 take?)

23

24 MR. GREENE: Just as to form.

25 It's also speculative and it assumes

1 facts.

2 Can you answer the question if you're
3 able to?

4 A Yes.

5 Q BY MR. MOXON: Did you give it back?

6 MR. GREENE: Objection, vague and
7 ambiguous.

8 A I paid for it.

9 Q BY MR. MOXON: Did you ever obtain any
10 loans or money under false pretenses?

11 MR. GREENE: Objection, vague.

12 THE REFEREE: You mean in his lifetime?

13 MR. MOXON: We have an exhibit here that
14 Mr. Yanny is trying to put in evidence.

15 I'll go down some of the points in this
16 exhibit that he was charged with.

17 THE REFEREE: Just relative to the
18 exhibit then?

19 A No.

20 Q BY MR. MOXON: What did you take that you
21 allegedly didn't pay for?

22 MR. GREENE: Objection, argumentative.
23 "Allegedly."

24 A Candy bars.

25 Q BY MR. MOXON: Looking on page 2 of the

18

1 exhibit indicates that there were some problems with
2 your promotion of LSD.

3 Have you ever taken LSD?

4 MR. GREENE: Objection, number one, there
5 is a speech that assumes facts.

6 Number two, based on this witnesses Fifth
7 Amendment right against self-incrimination with
8 respect to the question part of Mr. Moxon's speech, I
9 instruct you not to answer.

10 MR. BERRY: Privacy, relevancy.

11 MR. MOXON: It's your exhibit, Mr. Berry.

12 THE REFEREE: Whoever's exhibit it is, do
13 you want to take the Fifth Amendment?

14 Do you choose to take the Fifth Amendment
15 on this?

16 MR. PARKER: Maybe the witness would like
17 to know if Your Honor would sustain those objections.

18 MR. BERRY: The question doesn't relate
19 to the exhibit, it relates to alleged drug use.

20 THE REFEREE: Just period. I think I'd
21 like the answer to my question.

22 MR. GREENE: Whether or not he's going to
23 assert the Fifth Amendment?

24 THE WITNESS: If I don't assert it as to
25 every alleged crime, do I waive it as to --

1 MR. GREENE: You may.

2 My advice to you, Mr. Armstrong, is if
3 the question calls for an answer which may have a
4 tendency to incriminate you -- and the Fifth Amendment
5 of the Constitution provides that you don't have to do
6 that -- you don't have to say anything that may tend
7 to incriminate you.

8 Don't answer the question.

9 MR. MOXON: It's completely academic.
10 There is no statute of limitation that would not have
11 been expired in the last 10 years.

12 MR. BERRY: Then the question cannot be
13 relevant.

14 MR. GREENE: Same instruction.

15 THE REFEREE: Do you understand your
16 position now, Mr. Armstrong?

17 THE WITNESS: I don't understand it
18 fully, but I'm completely willing to go along with
19 counsel's instruction on this one.

20 Q BY MR. MOXON: Answer please?

21 MR. GREENE: The Fifth Amendment
22 privilege is asserted and the witness is instructed
23 not to answer.

24 MR. MOXON: He said he's going along with
25 something you said in the past.

1 MR. MOXON: Can I have an answer?

2 MR. BERRY: Counsel's badgering the
3 witness.

4 THE REFEREE: Mr. Armstrong, do you
5 choose to take the Fifth Amendment?

6 THE WITNESS: Right, I think I will.

7 MR. MOXON: I have a procedural point.

8 In the other deposition, as you know, we
9 took quite a long time. We have three people making
10 objections. It took me a couple of minutes to get an
11 answer to one question.

12 THE REFEREE: I'll ask, since the witness
13 is represented I'll ask that the objections be by Mr.
14 Greene.

15 MR. BERRY: Your Honor, may I have a
16 continuing objection as to attorney work product,
17 attorney-client, priest-penitent, and a continuing
18 instruction not to answer except to the extent that he
19 can do so without violating those privileges?

20 MR. PARKER: I think the point is we
21 represent the holder of the privilege and we have a
22 right to protect that holder's interest.

23 THE REFEREE: We'll note that continuing
24 objection. And I'll have that in mind.

25 THE WITNESS: Okay, your Honor.

1 THE REFEREE: The catch-all is in effect
2 of time.

3 THE WITNESS: Okay.

4 Q BY MR. MOXON: You pled the Fifth
5 Amendment to tell me whether or not you have taken
6 LSD?

7 MR. GREENE: Objection, asked and
8 answered.

9 THE REFEREE: It has been asked and
10 answered.

11 Let's go forward.

12 A (No response)

13 Q BY MR. MOXON: According to this document
14 Mr. Berry has marked as Exhibit 4-F, you have spoken
15 out in favor of the use of LSD.

16 Is it accurate that you spoke out in
17 favor of the use of LSD prior to February of 1982?

18 A This document does not --

19 Q My question is did you speak out
20 favorably in the use of LSD to members of the Church
21 of Scientology prior to February of '82?

22 A No.

23 Q Did you speak out to anyone proposing the
24 use of LSD prior to November of '82?

25 A No.

1 Q Did you provide a copy of Exhibit 4-F to
2 Joseph Yanny or any of his counsel?

3 MR. BERRY: I can give information there.

4 MR. MOXON: You're not being deposed Mr.
5 Berry.

6 I have a question to the witness. I
7 object strenuously to your coaching the witness.

8 THE REFEREE: You may answer the
9 question.

10 A I don't know if it was specifically --
11 I did not specifically give them this
12 document for their use.

13 MR. GREENE: Just answer the question.

14 Q BY MR. MOXON: Did you give Exhibit 4-F
15 to Yanny or his attorneys?

16 MR. BERRY: I'm willing to tell you where
17 I got it from.

18 THE REFEREE: Did you give it to him, yes
19 or no?

20 A I can't quite answer that. And I'll
21 explain why I don't want to answer no and then --
22 because it did come from me at some point.

23 It has been an exhibit which I have used
24 for various purposes. And it's my belief that as an
25 exhibit, Mr. Yanny and his lawyers came into

19 1 possession of it.

2 MR. BERRY: I found it in a court file of
3 exhibits.

4 MR. MOXON: We'll take your deposition
5 later Mr. Greene.

6 Q BY MR. MOXON: Do you continue to use
7 LSD?

8 MR. GREENE: Objection. It's like do you
9 continue to beat your wife. Assumes a fact not in
10 evidence.

11 Q BY MR. MOXON: Do you use LSD now?

12 MR. GREENE: Objection, Fifth Amendment,
13 don't answer the question.

14 THE REFEREE: Do you adopt the Fifth
15 Amendment?

16 THE WITNESS: I don't think --

17 THE REFEREE: If you choose to follow
18 your counsel's advice --

19 THE WITNESS: I'll follow his advice.
20 There is no reason not to.

21 MR. PARKER: I have to object in the
22 strongest possible terms.

23 I think when a witness is being badgered
24 by questions that are not relevant, that are harassing
25 in nature, that he should be forced to take the Fifth

1 Amendment to take shelter from those questions so they
2 can put that in the press and parade him on the
3 witness stand at trial and say you didn't take the
4 Fifth Amendment, all because the questions have been
5 answered in that first place, is wrong.

6 THE REFEREE: I understand your position.
7 That's the last question on LSD.

8 Is there something else you want to ask the witness?

9 MR. MOXON: I haven't got an answer yet.

10 THE REFEREE: You got an objection.

11 You have already had two answers on LSD.
12 Is there some other area you want to inquire into Mr.
13 Moxon?

14 MR. MOXON: Yes, there are a number of
15 other areas I want to inquire into, Your Honor.

16 THE REFEREE: Let's go forward.

17 I object to the speech just made by this
18 gentleman. It has nothing to do with that. This is a
19 witness -- that he just inserted into the record
20 concerning LSD.

21 MR. GREENE: For the record, the exhibit
22 was Mr. Berry's that he showed to Mr. Armstrong, and
23 it's not Mr. Armstrong.

24 MR. BERRY: That appears to come from the
25 Church of Scientology International.

1 Q BY MR. MOXON: You say you were once in
2 the RPF?

3 A Twice.

4 Q Did anyone ever leave the RPF while you
5 were there?

6 A Yes.

7 Q They just walked away?

8 A No.

9 Q You said no one was able to leave because
10 they were held there prisoner, didn't you?

11 MR. GREENE: Objection, it's -- he's not
12 required to comment on his own testimony. The record
13 will speak for itself.

14 Q BY MR. MOXON: Answer?

15 THE REFEREE: The objection's sustained.
16 You can put the question another way.

17 A (No response)

18 Q BY MR. MOXON: Dozens of people left the
19 RPF while you were there, didn't they?

20 MR. GREENE: Objection, no foundation.

21 Q BY MR. MOXON: Answer?

22 THE REFEREE: You may answer.

23 MR. GREENE: Also vague and ambiguous as
24 to "left."

25 THE REFEREE: It's hard to say what

19 1 "left" means, but you can answer the question if you
 2 understand it.

 3 A People left.

 4 Q BY MR. MOXON: People were routed out of
 5 staff during the time that they were on the RPF,
 6 weren't they?

 7 MR. GREENE: Objection, vague and
 8 ambiguous as to the Scientological term of art "routed
 9 out."

 10 THE REFEREE: Sustained as to form.

 11 MR. MOXON: The witness knows what I
 12 mean.

 13 THE REFEREE: He may know, but I don't
 14 know. No stranger is going to know this.

 15 Let's keep to understandable language.
 16 You can certainly ask the question.

 17 Q BY MR. MOXON: "Routed out" means left
 18 staff, doesn't it?

 19 A Right.

 20 Q Do you know if anyone routed out of the
 21 RPF while you were on the RPF?

 22 A Yes.

 23 Q More than 10 people while you were on the
 24 RPF were routed out of staff?

 25 MR. GREENE: Objection, no foundation.

1 THE REFEREE: Overruled.

2 A There may have been more than 10.

3 Q BY MR. MOXON: Maybe more than 20?

4 A I doubt it.

5 Q Maybe?

6 MR. GREENE: Objection, calls for
7 speculation.

8 THE REFEREE: Sustained.

9 A (No response)

10 Q BY MR. MOXON: Did you ever talk to Yanny
11 about the RPF?

12 MR. GREENE: Objection, attorney work
13 product.

14 THE REFEREE: Well --

15 MR. GREENE: There has been testimony
16 that for two days in July '91 Mr. Armstrong was
17 considered as a paralegal by Yanny during the course
18 of the period of time wherein Yanny represented
19 Richard and Vicki Aznaran. And certainly Vicki
20 Aznaran spent time in the RPF.

21 THE REFEREE: Other than that particular
22 two-day period can you answer the question?

23 A I have no recollection.

24 Let me clarify that. I'm quite clear as
25 I sit here that Joe Yanny knows of the RPF and knew of

1 the RPF, but I have no recollection of specific
2 conversations with him or anything specific regarding
3 the RPF.

4 MR. MOXON: We will mark as 4-P a
5 declaration apparently signed by Mr. Armstrong.

6 THE REFEREE: Is this the only copy?

7 MR. MOXON: Yes.

8 THE REFEREE: We can make copies if you
9 need to.

10

11 (The document referred to was
12 marked by the CSR as Exhibit 4-P for
13 identification and attached to and
14 made a part of this deposition.)

15

16 MR. MOXON: If I didn't already.

17 Q BY MR. MOXON: Can you identify that
18 declaration Mr. Armstrong?

19 A Yes.

20 Q What is it?

21 A It's a declaration that I executed in
22 July, in Mr. Yanny's office, July 1991.

23 Q Who typed that declaration?

24 A I don't know.

25 Q It wasn't you?

1 MR. GREENE: Objection, asked and
2 answered:

3 Who typed it?

4 "I don't know."

5 Who was it, you?

6 MR. BERRY: We have a continuing
7 objection. This is clearly a work product area.

8 Q BY MR. MOXON: It wasn't you, correct?

9 A Right.

10 Q Was it someone in Mr. Yanny's office
11 typed it?

12 A My best guess is yes.

13 Q Did Mr. Yanny have anything to do with
14 drafting that declaration?

15 MR. GREENE: Objection, attorney work
16 product privilege.

17 And I'll also need to add that this line
18 of questioning pertains to Richard and Vicki Aznaran,
19 who are litigants directly opposed and adverse to Mr.
20 Moxon and his clients, and they don't have a lawyer
21 here to object on their behalf.

22 MR. BERRY: Join.

23 MR. GREENE: I guess that goes under the
24 back door objection.

25 MR. MOXON: Can you answer please?

1 THE REFEREE: No.

2 Is it work product or not counsel?

3 MR. MOXON: He was questioned about this
4 by Mr. Yanny.

5 Mr. Yanny asked him if he wrote a
6 declaration for him about this conversation.

7 MR. GREENE: The witness has just
8 authenticated the document.

9 THE REFEREE: He said he signed it. He
10 says he doesn't know who typed it.

11 What's the purpose of the question?
12 That's one of my hangups.

13 MR. MOXON: The purpose of the question
14 is it's a central issue in this lawsuit about this
15 alleged event. That's why Yanny said I represented
16 the Aznarans as a defense in this lawsuit.

17 That's one of the two central points
18 here. This is actually relevant to this lawsuit.

19 MR. GREENE: Point of hallucination.

20 THE REFEREE: Let me read it.

21 MR. MOXON: As opposed to the entire
22 morning.

23 Plus it's cross-examination of Yanny's
24 questioning of this witness.

25 MR. BERRY: Perhaps Mr. Moxon would point

20 1 to the transcript?

2 MR. MOXON: See it?

3 MR. BERRY: Page?

4 THE REFEREE: What's the question?

5 MR. BERRY: Where this took place. I've
6 asked a question where this took place in the
7 transcript?

8 THE REFEREE: I was really asking what
9 Mr. Moxon's question was?

10 Q BY MR. MOXON: The question was did Mr.
11 Yanny participate in drafting that declaration,
12 Exhibit 4-P?

13 MR. GREENE: Objection, vague and
14 ambiguous.

15 MR. BERRY: And attorney work product
16 since Mr. Yanny was --

17 Attorney work product. Sorry.

18 THE REFEREE: Well --

19 MR. BERRY: Clearly --

20 THE REFEREE: I really don't see how we
21 get around the work product.

22 So he did, so he didn't. What's the
23 issue here Mr. Moxon?

24 MR. MOXON: Whose work product is this?

25 We're talking about Yanny's work product.

20

1 MR. GREENE: It would be Yanny's work
2 product representing the Aznarans. They would be the
3 client.

4 Yanny's the holder of the work product
5 privilege as it pertains to the Aznaran lawsuit, which
6 I believe this declaration was filed in by Yanny.

7 MR. BERRY: Mr. Yanny was still the
8 attorney in the Aznaran case on this date, so
9 anything --

10 THE REFEREE: Mr. Moxon, are you, do you
11 have like -- is there an issue as to whether Yanny
12 participated in this or --

13 MR. MOXON: That's why I asked the
14 question.

15 Yes, I absolutely do.

16 THE REFEREE: If it's out of his office,
17 hasn't he participated in it for your purposes?

18 MR. MOXON: Let's find out.

19 I don't want to assume anything Your
20 Honor. This is an extremely important issue in this
21 case; if Yanny is writing declarations for this man to
22 sign.

23 I think we can all agree that that's
24 relevant. Particularly if it's on the central issue
25 as to why he committed the torts that he committed,

1

1 1 because he's using that as an excuse, and apparently
2 2 using this witness to prop up his story as to why he
3 3 committed the tort.

4 THE REFEREE: What do we have here from
5 5 the testimony?

6 Do we have Mr. Armstrong saying that he
7 7 executed it? That he executed it in Mr. Yanny's
8 8 office, is that correct?

9 THE WITNESS: Right.

10 THE REFEREE: And that it was supplied to
11 11 him in the office?

12 THE WITNESS: Right.

13 THE REFEREE: And that he doesn't know
14 14 who drafted it or who typed it, but you thought it was
15 15 reasonable that it was somebody in the office had
16 16 typed it, is that correct?

17 THE WITNESS: Right.

18 MR. MOXON: The pending question is did
19 19 Yanny participate in the drafting of this declaration?

20 MR. BERRY: Your Honor, I'm sure on
21 21 Saturday when we take Mr. Rathbun's deposition if we
22 22 ask who drafted Mr. Rathbun's declaration there is
23 23 going to be an objection.

24 MR. MOXON: This declaration is a central
25 25 issue in this case.

1 MR. GREENE: We have overlapping cases.
2 We have the Aznaran case, we have the Yanny case.

3 This document was filed in the Aznaran
4 case. However, the work product privilege arises out
5 of Yanny's representation of Aznaran, and is subject
6 to the work product privilege in Aznaran.

7 MR. BERRY: I couldn't have put it better
8 Your Honor.

9 THE REFEREE: Well, I consider that the
10 declaration by its very existence establishes Yanny's
11 participation. But it's out of his office. Mr.
12 Armstrong signed it there. It didn't come from the
13 moon. And it didn't, it wasn't immaculately conceived
14 in some fashion. Somebody drafted it.

15 Whether it was Mr. Yanny who drafted it
16 or not, it was Mr. Armstrong in common sense signed it
17 under Mr. Yanny's auspices. What more do you want?

18 MR. MOXON: I want a lot more than that
19 Your Honor. That's nothing.

20 Just the fact that he did it in his
21 office is one thing. We have central issues in this
22 case. If you won't allow us to take any testimony of
23 this witness to cross-examine something he's asserting
24 to bolster Mr. Yanny's testimony, we might as well
25 suspend it now and go back to Judge Cardenas.

1 THE REFEREE: Everything seems to be, in
2 your mind, constantly at a crisis level. And I don't
3 think it's quite that --

4 MR. MOXON: It is if I'm cut off.

5 They have gone on all morning about
6 utterly irrelevant matters. This is the most central
7 issue in this lawsuit.

8 If I'm going to be cut off here I see no
9 point in going ahead with this deposition. We should
10 go back to Judge Cardenas right now and get some
11 clarification.

12 MR. PARKER: That's his privilege.

13 THE REFEREE: I know it's his privilege.

14 Alright, I'm going to let you ask the
15 question, I'm going to ask him to answer the question
16 and I expect consistency on Saturday. And throughout
17 the rest of this.

18 So -- I know you won't necessarily be
19 counsel who is sitting in on Saturday, but you can
20 pass the words. I spoke plain English.

21 I'm instructing you to answer that
22 question.

23 THE WITNESS: Okay.

24 MR. GREENE: And the question is did
25 Yanny write this declaration?

1

1

THE REFEREE: Did he write it or draft

2

it?

3

The question was did he participate in

4

it?

5

Q

BY MR. MOXON: Did Mr. Yanny participate

6

in the drafting of this declaration?

7

A

I drafted it. He made some changes in

8

it.

9

THE REFEREE: He participated in it to

10

some extent?

11

THE WITNESS: Right.

12

Q

BY MR. MOXON: What changes did he make

13

in it?

14

A

Well, when I read it over, and this came

15

to me before too, I don't ~~know why he's using~~ that

16

term or extremely rarely "Messrs Quinn and Drescher."

17

I made notes because Mr. Van Sickle

18

actually made the whole statement twice. So I made

19

some notes at the time. And wrote up my understanding

20

of it, and Yanny edited it. And that was in his

21

office.

22

Q

Do you still have the notes?

23

A

No.

24

Q

What did you do with them?

25

A

I don't know.

1

1 Q Did you give them to Yanny?

2 A I don't recall if they were left there or
3 if the typist worked off of them or what, how exactly
4 it happened or where they are.

2

5 Q Did you draft the declaration by hand?

6 A Yeah, that's how I originally did it.

7 Q You gave to it a typist to type?

8 A I don't recall if it went directly to a
9 typist or to Mr. Yanny or how. Then it came back to
10 me typed.

11 Q What else did Yanny change in there
12 besides "Messrs?"

13 A I don't recall.

14 MR. GREENE: Objection, it assumes that
15 Yanny did make some other changes aside from that,
16 just as a matter of form.

17 THE REFEREE: What changes, if any?

18 A I can't identify any.

19

20 (Pause in proceedings.)

21

22 Q BY MR. MOXON: Are you still thinking?

23 A Yes. I can't identify any.

24 Q Did Yanny ask you to write a declaration?

25 A Yeah.

2 1 Q Did Yanny make any notes of the phone
2 call with Van Sickle?

3 MR. GREENE: No foundation.

4 Calls for speculation.

5 THE REFEREE: Do you know?

6 A I don't know if he did.

7 Q BY MR. MOXON: You didn't see him,
8 whether he made any notes or not?

9 A I have no present recollection of his
10 making any notes.

11 The identical call occurred twice. I
12 tried to make notes.

13 Q Did Van Sickle call Yanny or did Yanny
14 call Van Sickle?

15 A I believe one was one way and one was the
16 other way.

17 I'm not certain of how that went down.

18 Q Why were you listening on the phone call?

19 A I think on that particular occasion Mr.
20 Yanny wanted me to be present to hear the phone call.

21 Q How do you know that?

22 A That's my impression at this point.

23 I don't have a specific recollection of
24 being brought into the room for that, or whether or
25 not I was there at the time and then, ✓ listen to this, ✓

2

1

or now listen to this or --

2

Q Was Yanny representing the Aznarans at the time of this phone call to Van Sickle?

4

A I understood him to be, yes.

5

Q Did Yanny tell you that? That he was representing the Aznarans at the time of the phone call with Van Sickle?

8

A Yes.

9

Q Was anyone else present besides you and Yanny?

10

who 11 A There may have been someone came in and
12 out of the office during the time that I was in his
13 office.

14

There were people who came and went. But I can't identify them and I don't know for certain that they were at that time.

16

17

Q Did you sign this declaration before or after Yanny gave you the thousand dollars for stock in the Armstrong Corporation?

19

20

MR. BERRY: Objection, Your Honor. I'm not sure where to begin on that.

21

22

THE REFEREE: You may answer that.

23

A Mr. Yanny had sent me \$500 before this.

24

Q BY MR. MOXON: Did he give you 500 afterwards also?

25

1 A Five hundred some weeks later.

2 MR. BERRY: Your Honor, the record
3 reflects in excruciating detail the circumstance of
4 those payments.

5 THE REFEREE: I have in mind the other
6 testimony.

7 MR. MOXON: Not "excruciating detail."

8 THE REFEREE: I really do have in mind
9 that other --

10 All these comments from any source are
11 not too helpful right now.

12 Q BY MR. MOXON: Have you had any
13 communications with either Yanny or his attorneys
14 about this telephone conversation since the time that
15 you signed that declaration, Exhibit 4-P?

16 MR. GREENE: Objection, joint defense
17 privilege.

18 You can answer it.

19 MR. BERRY: And I of course have a
20 continuing objection?

21 THE REFEREE: Yes.

22 A I have a recollection of it coming up in
23 a conversation. And if you give me a minute I'll try
24 to identify when, because it was some time ago. And
25 it was with Joe Yanny. And I don't believe I've ever

2 1 spoken to his lawyers about this declaration.

2 The fact of my having executed this
3 declaration and the fact of having executed two
4 declarations, and that was the extent of the work that
5 I did in Yanny's office. I have stated that many
6 times in my protest of the existence of this lawsuit,
7 and certainly that has come up in conversations.

8 In the other conversation which dealt in
9 part specifically with this declaration -- and I don't
10 know to what degree I should go into it because it
11 really concerned Mr. Van Sickle and Mr. Greene and
12 their relationship.

13 Q BY MR. MOXON: When was that
14 conversation, the second conversation about Exhibit
15 4-P, which is your declaration concerning the Van
16 Sickle call?

17 A I think within the last two weeks.

18 Q Where were you when you had that
19 conversation with Yanny?

20 A I believe in the law firm.

21 Q What law firm?

22 A Hub Law Offices.

23 Q Was Yanny there also or did you speak on
24 the phone?

25 A ~~I phoned.~~
By

2

1 Q Did you speak with Yanny by phone?

2 A Yes.

3 Q Did Yanny call you?

4 A I don't recall if he did. I don't
5 recall.

6 Q What did Yanny say about the declaration
7 in that phone call?

8 MR. GREENE: Stop. Time to take a break
9 if we may.

10 THE REFEREE: Let's take a short break.
11 It's 4:30, we'll end it at 5:00.

12

13 (Recess taken.)

14

15 MR. GREENE: We're going to assert the
16 joint defense privilege and answer the question.

3

17 A So he related to me his understanding of
18 the sequence of events which led to his becoming
19 involved in the Aznaran case.

20 This incident was one of the meetings
21 which involved Drescher, Quinn and Van Sickle, and it
22 was I guess he saw it as significant in his mind. And
23 that's really how it fit together.

24 Q BY MR. MOXON: Why did he want to talk to
25 you about it last week?

1 MR. GREENE: Objection, calls for
2 speculation.

3 THE REFEREE: Did he say why he wanted to
4 talk to you about it?

5 THE WITNESS: I don't think he said
6 specifically.

7 Q BY MR. MOXON: Do you know why he wanted
8 to talk to you about it?

9 A My -- I can guess.

10 MR. GREENE: Don't guess.

11 Calls for speculation. If he told you
12 yes, say why. Otherwise, if he didn't, don't
13 speculate.

14 Q BY MR. MOXON: Did Yanny ask you what
15 your rendition or your recollection of the events was?

16 MR. GREENE: Objection, vague and
17 ambiguous as to which "events" we're talking about,
18 signing the declaration.

19 Q BY MR. MOXON: What's set forth in the
20 declaration?

21 A No, I was not involved in the event.

22 He was describing to me the events as
23 they happened to others. Specifically, Mr. Van
24 Sickle's involvement.

25 Q Did Yanny tell you why he wanted this

1 declaration at the time that you signed it?

2 MR. GREENE: Objection, that is work
3 product.

4 Don't answer that question.

5 MR. MOXON: The man's a witness. He's
6 not an employee. He's a witness in this case.

7 MR. BERRY: Your Honor, there was some
8 evidence that during those two days Mr. Armstrong was
9 present in Mr. Yanny's office in the expectation that
10 he may become an employee.

11 And therefore the work product attaches
12 just as when you interview an attorney and he doesn't
13 become your attorney, the attorney-client privilege
14 still attaches.

15 MR. MOXON: That is contrary to this
16 witnesses testimony. He said he never discussed with
17 Yanny working for Yanny.

18 THE REFEREE: I'm going to permit the
19 question and instruct you to answer.

20 Did he tell you why he wanted it?

21 A I believe that it was important to him --

22 MR. GREENE: Wait, I don't want you to
23 speculate Mr. Armstrong.

24 If Yanny told you something the Judge has
25 told you to tell us, I don't want you to speculate

1 about why you think something. Just say what you
2 know.

3 A He said it was important regarding
4 Aznaran's representation, ability to get a lawyer to
5 get representation.

6 Q BY MR. MOXON: Did he say he needed a
7 declaration from you on that issue?

8 A He asked me to listen to the telephone
9 call. I listened to it. I listened to it a second
10 time.

11 He asked that I give him a declaration on
12 the content of the call.

13 Q Was the call taped?

14 A No.

15 Q How did you listen to it a second time?

16 A Because Mr. Van Sickle stated it twice.
17 There were two calls.

18 Q Did Mr. Yanny ask you to listen to the
19 first call?

20 A Yes.

21 Q Mr. Yanny tell you that it was important
22 for you to listen to the first call?

23 MR. GREENE: Objection, asked and
24 answered.

25 THE REFEREE: I'm not sure. So you can

1 answer.

2 A I don't know if he said it's important to
3 listen to the call. But he asked me to listen to the
4 call.

5 Q BY MR. MOXON: As to the first call did
6 he tell you that the call was about the issue of the
7 Aznaran's representation?

8 MR. GREENE: Objection, vague and
9 ambiguous. When? Before, after?

10 THE REFEREE: Is your question addressed
11 to before the first call?

12 Q BY MR. MOXON: Before the first call did
13 Yanny tell you the call concerned the Aznaran's
14 representation?

15 MR. GREENE: Objection, assumes facts not
16 in evidence, and that is that Yanny knew the call was
17 going to take place.

18 THE REFEREE: It's just a question on
19 cross-examination.

20 You can answer that.

21 A I don't believe, or I don't recall at
22 least that he stated anything about the call prior to
23 it occurring.

24 Q BY MR. MOXON: Prior to the second call
25 did he tell you what the second call would be about?

1 A I don't know if he stated it, but I had
2 an awareness that there was an effort to get Mr. Van
3 Sickle to state it again so that it was clearly
4 understood.

5 So I knew at the time of the second call
6 that Mr. Yanny was asking Mr. Van Sickle to repeat the
7 facts that he had stated earlier.

8 Q Were you in Yanny's office at that time?

9 MR. GREENE: Objection, asked and
10 answered.

11 THE REFEREE: It's cross-examination.

12 A Yes.

13 Q BY MR. MOXON: Was this Yanny's personal
14 office or one of the rooms in Yanny's suite, if he has
15 a suite?

16 A Personal office.

17 Q Do you recall what time of day that was?

18 MR. GREENE: First call, second call?

19 Vague and ambiguous.

20 Q BY MR. MOXON: Second call. What time of
21 day was it?

22 A Early afternoon comes to mind.

23 I'm not sure. It could have been late
24 morning. I was there, my recollection is, most of the
25 day.

3 1 Q What time was the first call with Van
4 2 Sickle that day?
 3 A It was not long. There was not a great
 4 deal of time separating the two calls.
 5 Q Do you know if Yanny placed the second
 6 call?
 7 A I don't have --
 8 MR. GREENE: Objection, asked and
 9 answered.
 10 THE REFEREE: You may answer.
 11 A I don't have a specific recollection of
 12 that.
 13 Q BY MR. MOXON: How soon after the call
 14 was the declaration typed, Exhibit 4-P?
 15 A I really can't say. It could have --
 16 MR. GREENE: Don't guess. If you don't
 17 remember, say so. If you do remember, say what you
 18 remember.
 19 Q BY MR. MOXON: Was the declaration typed
 20 the same day as the call?
 21 A My recollection is yes.
 22 Q Did you sign it the same day as the call?
 23 A I also believe -- yes.
 24 Q You're not certain?
 25 A That's my best recollection right now.

1 It may even state it on it, but there
2 wasn't a great deal of time that went by.

3 Q Was it dated the day that you signed it?

4 Is the date on the declaration the same
5 day that you signed the declaration?

6 A Yes.

7 Q You say in the last two weeks you spoke
8 to Yanny about the declaration. And that the phone
9 call in part concerned Mr. Van Sickle and Mr. Greene,
10 correct?

11 MR. GREENE: Objection. The witness is
12 not required to comment on his prior testimony.

13 Counsel can ask a straightforward
14 question.

15 THE REFEREE: Do you want to re-state
16 your question please, Mr. Moxon?

17 Q BY MR. MOXON: Did Mr. Yanny say that Mr.
18 Van Sickle had betrayed him in some fashion during
19 that phone call within the last two weeks?

20 MR. GREENE: Objection, joint defense
21 privilege.

22 You may answer the question.

23 A I don't recall that.

24 Q BY MR. MOXON: Have you had any
25 conversations with Yanny wherein he told you that Van

1 Sickle has betrayed him with respect to Mr. Van
2 Sickle's rendition of the events which are set forth
3 in that declaration, Exhibit 4-P?

4 MR. BERRY: Objection, vague, ambiguous,
5 compound, confusing, unintelligible.

6 THE REFEREE: Just as to form.

7 MR. GREENE: Join.

8 A (No response)

9 Q BY MR. MOXON: Has Mr. Yanny ever told
10 that you Van Sickle has betrayed him in any fashion?

11 MR. BERRY: Objection, vague and
12 ambiguous as to "betrayal."

13 THE REFEREE: It's a fairly common word.

14 Have you ever had a conversation with Mr.
15 Yanny?

16 MR. BERRY: Continuing objection as to
17 priest-penitent.

18 THE REFEREE: Go ahead.

19 A I don't know, I don't have a recollection
20 of him using that word. But that there was great
21 displeasure with Mr. Van Sickle and his actions in
22 regard to the Aznarans and Ford Greene, yes.

23 Q BY MR. MOXON: When did you have a
24 communication with Mr. Yanny concerning his great
25 displeasure with Mr. Van Sickle with respect to the

1 Aznarans and Greene?

2 A I think that that was included within the
3 conversation within the last couple of weeks when he
4 recited to me his understanding of the events which
5 led up to his becoming involved in the Aznaran case.

6 Q What did he tell you his displeasure with
7 Van Sickle concerned?

8 MR. GREENE: So I don't have to interrupt
9 I would just like to have a continuing objection based
10 on joint defense privilege.

11 THE REFEREE: Okay.

12 MR. GREENE: Let her rip.

13 THE REFEREE: You may answer.

14 A That as a result of his actions the
15 Aznarans were left without counsel. That he had gone
16 behind Ford Greene's back to the Aznarans. And that
17 it appeared that he was, through his actions,
18 assisting the organization in getting rid of Mr.
19 Greene, getting rid of counsel for the Aznarans.

20 Q BY MR. MOXON: How did he say Mr. Van
21 Sickle was assisting the Church of Scientology?

22 A I think just as I said.

23 Q In getting rid of Mr. Greene in part?

24 A Right.

25 Q Did Mr. Yanny express any displeasure

1 concerning declarations of, that Mr. Van Sickle had
2 written with respect to a conversation Mr. Van Sickle
3 had with Bill Drescher and Jack Quinn?

4 MR. GREENE: Objection, no foundation.

5 Also it's an unfair question to ask the
6 witness to provide testimony about some document which
7 is not before him.

8 If you can answer the question go ahead,
9 subject to those objections.

10 THE REFEREE: If you understand it you
11 can answer it.

12 A I have a sense that Mr. Yanny has
13 mentioned it, but I have no specific recollection
14 regarding what I think you're talking about.

15 Q BY MR. MOXON: Did Mr. Yanny say anything
16 to you about Mr. Van Sickle providing evidence that
17 Yanny had lied?

18 MR. BERRY: Objection, assumes facts not
19 in evidence, namely that Mr. Yanny had lied.

20 THE REFEREE: Certainly that would be the
21 form of question. But it's cross-examination.

22 And if you have the question in mind you
23 can answer it.

24 A I don't believe there was any mention
25 made of that.

1 Q BY MR. MOXON: Did Yanny clarify for you
2 any of the events of the day that you were in Yanny's
3 office and overheard the conversation between Yanny
4 and Van Sickle?

5 THE REFEREE: I don't understand that.

6 MR. GREENE: Clarify it.

7 Q BY MR. MOXON: When you spoke to Yanny
8 within the past two weeks --

9 By the way, when within the last two
10 weeks was it? What's your best recollection?

11 A Maybe a week ago.

12 Q That's your best estimate, a week ago?

13 A Yeah.

14 Q During that phone call with Mr. Yanny did
15 he clarify for you what Mr. Van Sickle said during the
16 phone call that you overheard?

17 MR. GREENE: Objection as to the term
18 "clarify" as vague and ambiguous.

19 MR. BERRY: And assumes facts not in
20 evidence.

21 THE REFEREE: Mr. Moxon, I think the
22 problem I have with it is "clarify" is a word I find
23 hard to follow.

24 Can you break it down?

25 MR. GREENE: Did he put words in his

1 mouth?

2 THE REFEREE: Let's go forward and get
3 this over with fellas.

4 Q BY MR. MOXON: Did Mr. Yanny seek to
5 change your recollection of the phone call that he and
6 Mr. Van Sickle had had in July of last year?

7 A No.

8 MR. BERRY: Objection, argumentative.

9 MR. GREENE: Calls for speculation.

10 MR. BERRY: Badgering.

11 Calls for speculation.

12 MR. GREENE: Who knows what Yanny sought
13 to do?

14 THE REFEREE: Certainly the witness can
15 have an impression of what his intentions were. And
16 the answer is no. He answered the question no, is
17 that correct?

18 THE WITNESS: Right.

19 Q BY MR. MOXON: Did Mr. Yanny tell you
20 that he believed Mr. Van Sickle had taken some
21 inappropriate act with respect to Ford Greene's firing
22 by the Aznarans?

23 MR. GREENE: Objection. It assumes that
24 Ford Greene was fired rather than his discharge was
25 set up.

1 THE REFEREE: What we're talking about is
2 a conversation between two people. And what one said
3 to the other.

4 If you understand that question you may
5 answer it.

6 A Certainly the impression that I got was
7 that he considered that Mr. Van Sickle's actions with
8 regard to Mr. Greene were inappropriate, yes.

9 Q BY MR. MOXON: Did Mr. Yanny tell you
10 that Mr. Greene had been fired by the Aznarans because
11 of his drug use?

12 MR. GREENE: Wait a minute. Mr. Moxon --
13 You know, Judge, this is the problem. It
14 may be cross-examination, but for the kind Mr. Moxon
15 to come out with garbage like that, where there is no
16 factual basis, is just ridiculous. Besides which is
17 personally offensive to me.

18 I know that that's fine with you, Mr.
19 Moxon, but you really ought to restrain yourself and
20 not ask questions for which there is not any
21 foundation.

22 MR. MOXON: You know absolutely well, Mr.
23 Greene, that one of the allegations, one of the
24 reasons why the Aznarans indicated they fired you was
25 because of your continued illegal drug use. It's an

5 1 issue in this case.

2 MR. GREENE: The same crap.

3 MR. BERRY: As an officer of the court I
4 object to this sort of questioning.

5 THE REFEREE: Thank you folks. The
6 objection's stained.

7 MR. MOXON: On what basis?

8 THE REFEREE: On the basis I think it's a
9 completely inappropriate question, not likely to lead
10 to anything that would be useful or acceptable in this
11 case.

12 MR. MOXON: Let me explain it then, Your
13 Honor, because you have been misinformed by Mr.
14 Greene.

15 One of the issues in this case is indeed
16 why Mr. Greene was fired by the Aznarans. In fact,
17 there is evidence that Mr. Greene was fired by the
18 Aznarans not because, as Yanny claims as a defense in
19 this case that the Church wanted him fired. Indeed,
20 part of the evidence is that the Aznarans fired Mr.
21 Greene for a very simple reason, is that they believed
22 at least, whether or not it's true, that Mr. Greene
23 was a drug abuser.

24 Now, that may be offensive to you, it may
25 be offensive to Mr. Greene. Nevertheless, that's the

5 1 evidence in this case.

2 THE REFEREE: It may well be so, but
3 we're not going to develop it this afternoon for
4 questions from this witness about conversations he had
5 with Mr. Yanny.

6 If you have some more questions let's
7 pursue those. I know you're unhappy with my ruling,
8 but that's my ruling.

9 MR. MOXON: I accept your ruling, but I
10 don't understand it.

11 Obviously we're not going to be able to
12 get that information from Mr. Greene. What I'm
13 seeking to find out here is what Mr. Yanny has told
14 this witness.

15 THE REFEREE: I know, but I'm not going
16 to permit the question.

17 MR. BERRY: The Aznaran's depositions are
18 scheduled to take place next week.

19 MR. MOXON: Just for the purposes of the
20 record, this will be an issue at trial.

21 Can I please have the courtesy of the
22 legal basis for sustaining the objection?

23 THE REFEREE: I believe that it is an
24 inappropriate question.

25 MR. MOXON: I -- all I want is the legal

5

1 basis?

2 THE REFEREE: That's all the answer I can
3 give you this afternoon.

4 It's four minutes of 5:00. What other
5 questions would you like to ask?

6 Q BY MR. MOXON: Mr. Aznaran --

7 MR. GREENE: Mr. Armstrong.

6

8 Q BY MR. MOXON: Mr. Armstrong, did you
9 give any of the exhibits which Mr. Berry has shown you
10 today to Mr. Yanny or Mr. Yanny's counsel?

11 MR. GREENE: Objection, asked and
12 answered.

13 THE REFEREE: You can answer.

14 A I provided this declaration.

15 Q BY MR. MOXON: 4-N?

16 A 4-P, in Mr. Yanny's office, after I
17 received this document.

18 4-F from Marilyn Brewer, I made it
19 available, so I am in that sense the source for that.
20 Although I don't know specifically how it arrived with
21 Mr. Yanny.

22 The declaration of, number 4-E, Mr.
23 Yanny's lawyers are on the service list for this
24 document, so I believe that's how they got that.

25 This, number 4-G, which is the settlement

1 agreement, I have made available since the beginning
2 of 1990 and have provided it to many people, although
3 I don't know that I specifically provided it to Mr.
4 Yanny. But it also is a document which is filed in
5 the Armstrong II case.

6 I did not provide this one on control and
7 lying.

8 MR. GREENE: 4-M.

9 A Although I have possessed this document.

10 MR. GREENE: 4-N.

11 A The -- strike.

12 I do not believe I personally provided it
13 to Mr. Yanny or his lawyers.

14 And the same is true with this document
15 entitled "Re: ~~P&E's.~~"
 [^]

16 MR. GREENE: 4-O.

17 A The letter of August 21, 1991 to Mr.
18 Lieberman regarding private investigators --

19 MR. GREENE: 4-L.

20 A -- is I believe an exhibit in the
21 Armstrong II case. And Mr. Yanny's lawyers, I
22 believe, are on the service list for documents which
23 contained this as an exhibit. (Indicating)

24 I don't know if there are other ones.

25 MR. GREENE: These ones you haven't

1 addressed. (Indicating)

2 A Number 4-I, which is the Settlement
3 Agreement which does not contain any signatures, I do
4 not know where that came from.

5 The Indemnity Agreement, which is 4-J, is
6 the public document which is in the court of appeal.
7 It has also been included as an exhibit in papers
8 filed in the Armstrong II case. And I did not provide
9 it specifically to Mr. Yanny or his lawyers.

10 This document entitled "Settlement
11 Agreement," 4-H, which is labeled "work copy," was
12 transmitted from ~~the~~ Ford Greene's law firm. And I
13 can't absolutely deny being the person who faxed this.
14 It was either Mr. Greene or myself.

15 And I believe, he could prove me wrong,
16 that in this case it was he who sent it to Mr. Yanny's
17 lawyers. And my belief is that this document comes
18 from Bill Franks, and has been available both in the
19 Corydon case and Yanny I since 1990 or 1989.

20 These ones you provided, 4-K.

21 MR. BERRY: They were produced by
22 Scientology in response to a request by surveillance
23 photographs.

24 MR. GREENE: For the amount of time those
25 guys were out there there should be more than this.

1 Q BY MR. MOXON: Did you have any
2 conversations with Yanny concerning signing of the
3 Settlement Agreement in your own case, the Flynn
4 Settlement Agreement?

5 MR. GREENE: Objection, joint defense
6 privilege.

7 You can answer the question without
8 waiving any privileges.

9 A Yes.

10 MR. BERRY: Plus priest-penitent.

11 Attorney-client.

12 Attorney work product.

13 Q BY MR. MOXON: Did you ever tell Yanny
14 that you couldn't get any other counsel because of the
15 Flynn Settlement Agreement?

16 A I don't have a recollection of discussing
17 that with Yanny.

18 Q If I understood your testimony to Mr.
19 Berry correctly -- correct me if I'm wrong -- you
20 believe the Settlement Agreement was not enforceable,
21 is that right?

22 A It is still my belief.

23 Q And you believed it was not enforceable,
24 even though you signed it.

25 MR. GREENE: Objection, that calls for a

6 1 legal conclusion.

2 MR. BERRY: Also asked and answered.

3 THE REFEREE: It was his state of mind.
4 You can testify to that.

5 A That there are aspects of it that are
6 unenforceable? I consider they were unenforceable
7 then, and I still do.

8 Q BY MR. MOXON: You considered part was
9 enforceable and part wasn't at the time you signed it?

10 MR. GREENE: Objection, mischaracterizes
11 his testimony. He used a plural term, not a singular.

12 THE REFEREE: Do you understand the
13 question?

14 A I think so.

15 And I would say yes, that's how I viewed
16 and view it.

17 Q BY MR. MOXON: What parts of the
18 Settlement Agreement did you believe were enforceable
19 at the time that you signed it?

20 A That in future litigation to enforce the
21 Settlement Agreement the evidence developed in the
22 earlier litigation could not be used.

23 That it was a release of all events known
24 or unknown up to the time of the Settlement Agreement.

25 And that that was enforceable. That was

6 1 that I could not turn around and sue the organization
7 2 for what it had done up to then, nor could it turn
 3 around and sue me for what I had done up to then.

 4 I considered that those were the parts of
5 the Settlement Agreement which had validity and were
6 enforceable.

7 Q The rest of it you believe was not
8 enforceable?

9 A Majority, yes, that's how I considered
10 it.

11 Q If you believed that, did you know that
12 the Church believed the entire agreement was
13 enforceable?

14 A It was conveyed to me by my lawyer that
15 the organization knew that it was not enforceable.

16 Q What lawyer?

17 A Michael Flynn.

18 Q Did Michael Flynn tell you that the
19 Church told him that it recognized that parts of the
20 agreement were not enforceable?

21 A That he had advised them that it is not
22 enforceable and that they said, all that
23 notwithstanding, we insist on its being signed.

24 Q Why did you take the money if you
25 believed that parts of it were not enforceable?

1 A Because the money was, in truth,
2 independent of those things which were unenforceable.

3 Q You felt you could just take the money
4 and not have to worry about the parts of the contract
5 that you disagreed with?

6 A I released the organization from its acts
7 against me, in return for which it gave me money.

8 Q If you believed the agreement was
9 unenforceable why were you "shocked and heartsick" to
10 sign it?

11 A You misinterpret things.

12 I read it, and upon reading it I was, as
13 I said, "shocked and heartsick."

14 I continue to be. It's a disgusting
15 document. That does not change it's unenforceability.

16 Q You signed the "disgusting document"
17 because you wanted the money?

18 MR. GREENE: Objection, that's
19 argumentative. The witness --

20 THE REFEREE: I think we have been over
21 this a couple times.

22 MR. GREENE: Also asked and answered.
23 And also way after 5:00.

24 THE REFEREE: What's your situation Mr.
25 Moxon? Do you have a number of more questions or

1 what?

2 MR. MOXON: They went into many, many,
3 many new areas. I foresee asking this -- many areas
4 were gone into.

5 THE REFEREE: That's peachy keen, but --

6 MR. MOXON: Yes, I have many more
7 questions.

8 THE REFEREE: You're not going to be able
9 to do it tonight then.

10 MR. MOXON: I'll go as late as he wants.
11 (Indicating)

12 THE REFEREE: I want to stop.

13 MR. MOXON: Okay.

14 THE REFEREE: It's 10 after 5:00. I have
15 been at it since 8:00 this morning.

16 You certainly have a right to resume the
17 examination of this witness if you wish to do so.
18 Exactly when and how, I don't know.

19 MR. GREENE: Your Honor, we have a
20 housekeeping problem with Laurien Phippeny.

21 I'm really not sure why counsel wants to
22 examine her, but she is going to fly down here
23 tomorrow. And there is no point in having her fly
24 down here just to sit around out there in the foyer
25 again to fly back and waste time and money,

7 1 particularly when my deposition hasn't even been,
2 2 there hasn't been anything with respect to me.

3 We need some clarification what's going
4 4 to happen.

5 MR. BERRY: On that point we have the
6 6 objection of costs, because we're sharing in Ms.
7 7 Phippeny's airfare.

8 MR. MOXON: You're raising objections
9 9 that don't have to be a problem.

10 MR. MOXON: We'll take Mr. Greene's
11 11 deposition tomorrow and Armstrong will be on another
12 12 date.

13 THE REFEREE: Or later tomorrow,
14 14 depending on how we do.

15 We would have Greene and Phippeny
16 16 tomorrow, and hopefully we can finish with Mr.
17 17 Armstrong. We'll have a full, fun filled day. I'll
18 18 see you fellas at 9 o'clock.

19 MR. BERRY: Are there to be any special
20 20 arrangements with regard to the transcript this time?

21 MR. MOXON: I'm not ordering it to be
22 22 expedited.

23 MR. BERRY: Could I have it understood
24 24 that we will, this time, get --

25 THE REPORTER: If you give me a number to

7 1 call you.

2 Are you ordering the original?

3 MR. MOXON: Yes.

4 THE REPORTER: Do you want a copy?

5 MR. BERRY: Yes.

6

7 (Ending time: 5:15 p.m.)

8

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25

7 1 STATE OF

California

) ss.

2
3 COUNTY OF

Marin

)

4
5
6
7 I, the undersigned, declare under penalty
8 of perjury that I have read the foregoing
9 transcript, and I have made any corrections,
10 additions, or deletions that I was desirous of
11 making; that the foregoing is a true and correct
12 transcript of my testimony contained therein.

13 Executed this 9th day of May,
14 1992, at San Anselmo, California
15 (City) (State)

16
17
18
19
20
21
22 

23 GERALD ARMSTRONG
24
25

7 1 STATE OF CALIFORNIA)

2

3 COUNTY OF LOS ANGELES)

4

5 I, JAN W. SERRA, CSR No. 8207,

6 Certified Shorthand Reporter, certify:

7 That the foregoing proceedings were,
8 taken before me at the time and place therein set
9 forth, at which time the witness,

10 GERALD ARMSTRONG,

11 was put under oath by me;

12 That the testimony of the witness And
13 all objections made at the time of the examination
14 were recorded stenographically by me and were
15 thereafter transcribed;

16 That the foregoing is a true and correct
17 transcript of my shorthand notes so taken.

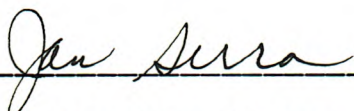
18 I further certify that I am not a
19 relative or employee of any attorney of any
20 of the parties, nor financially interested in
21 the action.

22 Dated this April 14, 1992.

23

24

25



Certified Shorthand Reporter

Exhibit 4

LEWIS, D'AMATO, BRISBOIS & BISGAARD

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GRAHAM E. BERRY
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FACSIMILES:

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ORANGE COUNTY: (714) 850-1030
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TELEPHONE (714) 387-1130

March 23, 1992

Hon. Thomas T. Johnson
Judicial Arbitration and
Mediation Services
3340 Ocean Park Blvd., # 1050
Santa Monica, California 90405

Re: Religious Technology Center, et al. v. Yanny, et al.
L.A.S.C. Case No. BC 033035

Dear Judge Johnson:

On January 30, 1992, our motion for protective order with regard to plaintiffs' use of the court reporting serving of Atkinson, Baker & Associates, Inc. was denied by Judge Cardenas despite the evidence on file which showed "its membership in the World Institute of Scientology Enterprises ("W.I.S.E.") and its place in the Scientology chain of command." Ms. Sheila Atkinson Baker filed a declaration in opposition to our motion, assuring the court of her company's impartiality notwithstanding its financial ties to and its prominent position within the Scientology command structure.

At the conclusion of the Gerald Armstrong deposition taken March 17, 1992 certain arrangements were made with regard to the transcript. Mr. Moxon who had noticed the deposition requested a copy and so did I. After initially suggesting an overnight expedite, I instead told the court reporter that I would have whatever Mr. Moxon "was having". Nothing further was said on the record regarding expediting the transcript.

At about 3:00 p.m. the next day (March 18, 1992), not having yet received the transcript or a phone call to advise the transcript was ready, I called Atkinson Baker & Associates, Inc. to inquire when the transcript would be produced and delivered. The person who answered the phone told me that Mr. Moxon had picked up the transcript at midnight the preceding night. I expressed my surprise and said that I was entitled to the same

ARMSTRONG
4-B ✓

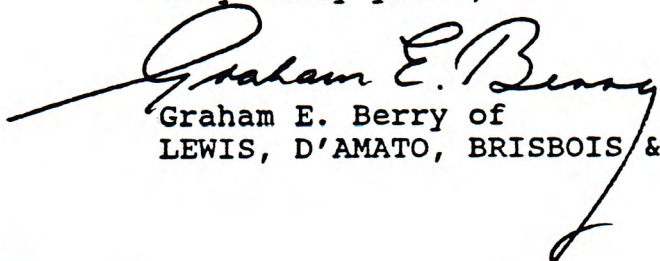
Judge Thomas T. Johnson
March 23, 1992
Page 2

treatment as Mr. Moxon. I was then told I should speak with the delivery or shipping department. I then spoke with someone who identified herself as Christie. I told her what I had just learned. She grilled me as to how I had discovered the midnight delivery. I did not disclose my source but insisted on receiving equal treatment with Mr. Moxon. She then admitted that the deposition transcript was indeed completed and that they were going to messenger it to me. I eventually received the transcript shortly before 4:00 p.m.

We are appalled that one party should receive preferential treatment from the Atkinson-Baker court reporting service. The court denied our application for a protective order with regard to the use of this particular court reporting service, in part, upon assurances that it would abide by all its obligations under the law and that we would not be prejudiced by its direct relationship with the plaintiffs. By chance, we have now discovered the vow was broken. How many other preferences (or worse) have been made which went undiscovered? We demand a full explanation from Ms. Atkinson-Baker and Mr. Moxon at a hearing before your Honor.

Furthermore, neither Ford Greene, Esq. Joe Yanny, Esq. or myself heard Mr. Moxon say the final sentence that appears on the transcript. We are all truly outraged and demand to inspect the reporter's notes and the draft transcript. The final page of the transcript is enclosed.

Very truly yours,


Graham E. Berry of
LEWIS, D'AMATO, BRISBOIS & BISGAARD

GEB/mlb

cc: John J. Quinn, Esq.
William T. Drescher, Esq.
Kendrick Moxon, Esq.
Laurie J. Bartilson, Esq.
Joseph A. Yanny, Esq.
Patrick K. Smith, Esq.
Ford Greene, Esq.

Ms. Sheila Atkinson-Baker
Atkinson, Baker & Associates, Inc.

1 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

2 IN AND FOR THE COUNTY OF LOS ANGELES

3 CERTIFIED COPY

4 - - -

5 RELIGIOUS TECHNOLOGY CENTER, A)
6 California Non-Profit Religious)
7 Corporation; CHURCH OF)
8 SCIENTOLOGY INTERNATIONAL, A)
9 Non-Profit Religious Corporation;)
and CHURCH OF SCIENTOLOGY OF)
CALIFORNIA, A Non-Profit)
Religious corporation,)

10 Plaintiffs,)

11 vs.)

12 JOSEPH A. YANNY, an individual;)
13 JOSEPH A. YANNY, a professional)
law corporation, and DOES 1-25,)
inclusive,)

14 Defendants.)

No: BC 033035

DEPOSTION EXCERPT

15
16 DEPOSITION EXCERPT OF

17 GERALD ARMSTRONG

18 SANTA MONICA, CALIFORNIA

19 MARCH 17, 1992

20
21 ATKINSON-BAKER AND ASSOCIATES, INC.
22 CERTIFIED SHORTHAND REPORTERS
23 1612 West Olive Avenue, Suite 203
Burbank, California 91506
(818) 566-8840

24 REPORTED BY: JAN SERRA, CSR NO. 8207

25 FILE NO.: 9202565

1 share.

2 THE REFEREE: I'm sure they're going to
3 reimburse you for at least half of Phippany and
4 Armstrong.

5 And since recollections differ, some part
6 of Greene or not some part of Greene.

7 MR. MOXON: I thought it was the other
8 way around?

9 THE REFEREE: Whatever.

10 MR. MOXON: Yanny's office was paying for
11 Armstrong.

12 THE REFEREE: Split two and one question.

13 MR. GREENE: Sounds like a good summary.

14 THE REPORTER: Who wants a copy of this
15 deposition?

16 MR. BERRY: I do.

17 MR. MOXON: The original will be sent to
18 Mr. Greene for review and the original to be sent back
19 to my office.

20 When do you want your copy?

21 MR. BERRY: Whenever you get yours.

22 MR. MOXON: We need it by tonight, 3/17.
23 Around midnight is okay.

24

25 (Ending time: 4:50 p.m.)

BOWLES & MOXON
ATTORNEYS AT LAW
6255 SUNSET BOULEVARD
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HOLLYWOOD, CALIFORNIA 90028

TIMOTHY BOWLES
ALSO ADMITTED OREGON
KENDRICK L. MOXON
ALSO ADMITTED WASH. DC
LAURIE J. BARTILSON
ALSO ADMITTED MASSACHUSETTS
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FILE

WILLIAM D. KATZ
DEBRA S. TOBIAS
PETER JACOBS
OF COUNSEL
JEANNE M. GAVIGAN
MARCELLO M. DI MAURO
KAREN L. BROWN

March 31, 1992

Hon. Thomas T. Johnson
Judicial Arbitration and
Mediation Services
3340 Ocean Park Blvd., #1050
Santa Monica, Calif. 90405

Re: Letter of Graham Berry
of March 23, 1992

Dear Judge Johnson,

While I am normally loath to burden you with the day to day squabbles between counsel, the letter which Graham Berry sent to you on March 23, 1992 (a copy of which I have just received) is so factually outrageous and so rife with religious bigotry that I feel I must write to you and set the record straight.

Basically Mr. Berry creates a false scenario in an attempt to claim that the Atkinson-Baker firm somehow provided preferential treatment to the Church parties in this litigation. The facts are simple, and can even be seen in Mr. Berry's letter, if one reads past the distortions induced by an attempt to charge the company with favoritism on religious grounds.

What occurred is this: Church counsel requested that the transcript of Armstrong's deposition be expedited and that a copy be prepared by midnight on the same day. This was done at the deposition itself, as the final page of the transcript (attached to Mr. Berry's letter) makes clear. Mr. Berry's snide closing statement about the selective hearing of himself and his allies is simply a self-serving tale which is necessary to clear the road for his fabricated story of "preferential treatment". If you have a question on this point, we can provide declarations from those present as to what Mr. Moxon said.

The fact is that all counsel were present when Mr. Moxon arranged the timing of the preparation of the transcript. Later in the day we confirmed with the court reporter that the transcript would, indeed, be ready by midnight and made unusual arrangements to have a courier present as soon as the document was completed.

March 31, 1992

Page 2

Our courier picked up the transcript at about midnight on the 17th. This procedure was equally available to Mr. Berry and his firm.

This took a highly unusual effort on the part of the Bowles & Moxon counsel. Atkinson-Baker merely accommodated counsel by completing the transcription within the time requested and by providing a copy of the transcript to the courier. Had Mr. Berry wished to have a courier present at midnight, he, too, could have obtained a copy at that time. He did not do so and, by his own admission, did not contact the reporting firm until the next day in order to inquire about the transcript. At that time, again by his own statement in his letter, he was told that the transcript had been completed and would be messengered to him. He received it by 4:00 p.m. on the day after the deposition was completed -- which is prompt service by any standard.

Had he arranged to send a courier, he undoubtedly could have obtained the transcript earlier. He chose not to do this. If he wanted to obtain the transcript at exactly the same time that Mr. Moxon obtained it, then he would have had to invest the same level of attention, effort and expense to achieve that end. The transcript was available at 9:00 a.m. on the 18th but Mr. Berry did not send a courier to pick it up. It was available at noon, but Mr. Berry had still not even expended the effort of a phone call to arrange to get a copy. In fact he did not call the service until 3:00 p.m. on the 18th, when he was told that the transcript was ready. It certainly is not the responsibility of the reporting service to inform counsel for one side that counsel for the other side is sending a courier by at a specific hour and to insist that the first side arrange for a courier as well. This is especially the case when, as the deposition transcript reveals, the timing of the completion of the transcript was announced when all counsel were present.

He complains of unequal treatment but, in fact, the difference was that the Bowles & Moxon firm took the initiative to arrange for a copy of the transcript immediately upon its completion. The Lewis, D'Amato firm sat on its hands and did nothing until 3 p.m. the next day and then, once they called the Atkinson-Baker firm, had the transcript in their hands within an hour on the day after the deposition. It is difficult to imagine a complaint with that sort of service.

That Mr. Berry makes accusations of "preferential treatment" and that he opens his letter with the false accusation that Atkinson-Baker is under the control of the Church is unconscionable, especially in light of the fact that he made that argument in a motion which was rejected by Judge Cardenas. This is blatant religious bigotry and is a deliberate furtherance of an underhanded campaign to destroy the valued reputation of a major Los Angeles reporting service solely because the owners of the firm

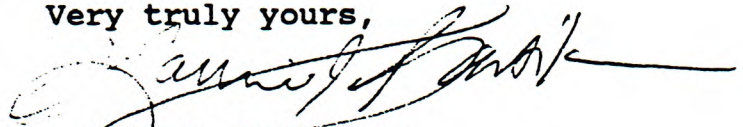
March 31, 1992

Page 3

are Scientologists. I point out in passing that the reporter who took the deposition, made the arrangements with Mr. Moxon regarding the timing of the completion of the transcription, and provided a copy to the Bowles & Moxon courier is not a Scientologist.

I am also concerned by Mr. Berry's letter as it appears to me to be part of a campaign to convince the Court that the Church parties engage in improper behavior. For both reasons I strenuously protest Mr. Berry's letter and ask that you disregard it completely.

Very truly yours,



Laurie J. Bartilson
BOWLES & MOXON

LJB:mfh

cc: Kendrick Moxon, Esq.
Joseph A. Yanny, Esq.
Patrick K. Smith, Esq.
Ford Greene, Esq.
Graham Berry, Esq.
Ms. Sheila Atkinson-Baker

LEWIS, D'AMATO, BRISBOIS & BISGAARD

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April 6, 1992

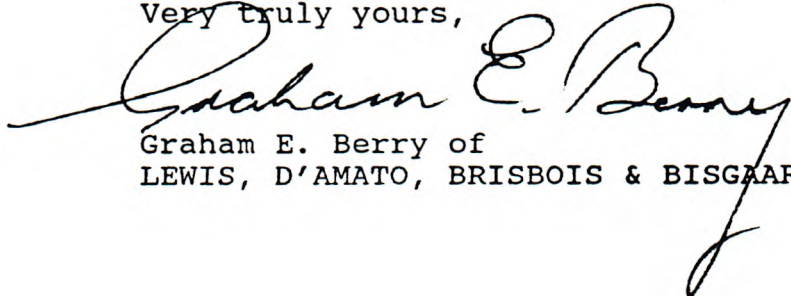
Hon. Thomas T. Johnson
Judicial Arbitration and
Mediation Services
3340 Ocean Park Blvd., # 1050
Santa Monica, California 90405

Re: Religious Technology Center, et al. v. Yanny, et al.
L.A.S.C. Case No. BC 033035

Dear Judge Johnson:

Reference is made to Ms. Laurie Bartilson's letter dated March 31, 1992. Suffice it to say, had anyone other than Mr. Moxon known about the timing of the preparation of the partial portion of the transcript (the afternoon session only), we would have also sent a messenger at midnight. As it was, we had no idea that anything other than normal handling was being done. Accordingly, my telephone call the next day was a mere inquiry out of the blue. You can imagine our shock and outrage when we made our discovery described in our letter dated March 23, 1992. We do not have equally available procedures if we are not aware of their existence. We have already advised the court that no one heard Mr. Moxon make his request for midnight delivery. I trust this clarifies the matter.

Very truly yours,



Graham E. Berry of
LEWIS, D'AMATO, BRISBOIS & BISGAARD

GEB/mlb

Judge Thomas T. Johnson
April 6, 1992
Page 2

cc: John J. Quinn, Esq.
William T. Drescher, Esq.
Kendrick Moxon, Esq.
Laurie J. Bartilson, Esq.
Joseph A. Yanny, Esq.
Patrick K. Smith, Esq.
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Ms. Sheila Atkinson-Baker
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Telephone: (415) 258-0360

Attorney for Defendant
GERALD ARMSTRONG

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY
INTERNATIONAL, a California
not-for-profit religious
corporation;

Plaintiffs,

vs.

GERALD ARMSTRONG; DOES 1
through 25, inclusive,

Defendants.

No. 152 229

DECLARATION OF GERALD ARMSTRONG
IN OPPOSITION TO SCIENTOLOGY'S
MOTION FOR PRELIMINARY
INJUNCTION

Date: March 20, 1992

Time: 9:00 a.m.

Dept: 4 - Specially Set

I, Gerald Armstrong, declare and state:

1. I am making this declaration to support an opposition to
a motion brought by the Scientology organization in the case of
Church of Scientology International v. Armstrong, Marin County
Superior Court No. 152 229 to enforce the settlement agreement I
had entered into with the organization in December 1986. The
facts hereinafter set forth are of my own first-hand knowledge.

2. I became involved with Scientology as a customer in 1969
in Vancouver, B.C. I worked on staff there in 1970 and in
February 1971 joined the Sea Organization (SO or Sea Org) in Los

1 Angeles. I was flown to Spain and joined the Sea Org's flag ship,
2 "Apollo," in Morocco. L. Ron Hubbard, the Sea Org's
3 "Commodore," was on board and operated Scientology internationally
4 through the "crew" which numbered, during my stay on board of four
5 and a half years, around four hundred. All my staff positions on
6 board involved personal contact with L. Ron Hubbard, Mary Sue
7 Hubbard, administrative organization staff and people in the ports
8 and countries the "Apollo" visited, and included "Ship's
9 Representative" (legal representative), "Port Captain" (public
10 relations officer), and "Information Officer" (intelligence
11 officer).

12 3. In the fall of 1975 after the ship operation moved
13 ashore in Florida I was posted in the Guardian's Office (GO)
14 Intelligence Bureau connected to Hubbard's Personal Office. From
15 December 1975 through June 1976 I held the post of Deputy LRH
16 External Communications Aide, a relay terminal for Hubbard's
17 written and telex traffic to and from Scientology organizations.
18 From July 1976 to December 1977 I was assigned, on Hubbard's
19 order, to the "Rehabilitation Project Force" (RPF), the SO prison
20 system. In 1978 I worked in Hubbard's cinematography crew in La
21 Quinta, California making movies under his direction until the
22 fall of that year when he again assigned me to the RPF, this time
23 for eight months first in La Quinta, then at a newly purchased
24 base in Gilman Hot Springs near Hemet, California. When I got out
25 of the RPF in the spring of 1979 and until the beginning of 1980 I
26 worked in Hubbard's "Household Unit" (HU) at Gilman, the SO unit
27 which took care of Hubbard's house, personal effects, transport,
28 meals and so forth, as the "Purchaser," "Renovations In-Charge"

1 and "Deputy Commanding Officer HU."

2 4. Throughout 1980 and until I left the organization in
3 December 1981 I held the organization posts in Hubbard's "Personal
4 Public Relations Bureau" of "LRH Archivist" and "LRH Personal
5 Researcher." I assembled in Los Angeles an archive of Hubbard's
6 writings and other materials relating to his history to be used
7 as, inter alia, the basis for a biography to be written about the
8 man. I also worked in Los Angeles for the first few months of 1980
9 on Mission Corporate Category Sortout (MCCS), which had the
10 purpose of restructuring the Scientology enterprise so that
11 Hubbard could continue to control it without being liable for its
12 actions. (A tape recording of two meetings relating to MCCS's
13 actions subsequently became the subject of Church of Scientology
14 of California v. Zolin.) Beginning in the fall of 1980 and
15 continuing until my departure, I provided the biographical
16 writings and other materials, as I collected and organized them,
17 to Omar Garrison, who had contracted with the organization to
18 write the Hubbard biography. I interviewed many people who had
19 known Mr. Hubbard at periods throughout his life, including almost
20 all of his known living relatives. I traveled several thousand
21 miles collecting biographical information and conducting a
22 genealogy search, and arranged the purchase of a number of
23 collections of Hubbard-related documents and other materials from
24 individual collectors.

25 5. Through my research and study of documentary evidence I
26 was compelled to conclude that Mr. Hubbard had lied about his
27 past, credentials, accomplishments, relationships and intentions.
28 I obtained evidence which disproved many of the claims made by

1 Hubbard in his biographies printed in Scientology publications and
2 used in promotion of the man and his philosophy and psychotherapy;
3 consequently I attempted to get the organization executives
4 responsible for these publications to correct the disproven
5 claims. As a result I was ordered to be security checked, an
6 invasive interrogation employing an electronic meter as a lie
7 detector, a procedure I had undergone many times in the Sea Org.
8 I had by this time obtained evidence which disproved the
9 significant representations Hubbard had made about himself or his
10 "technology" which had drawn me into and kept me in the
11 organization for over twelve years; e.g., that he was an engineer
12 and an atomic physicist, that he had been crippled and blinded in
13 combat in WW II and had cured himself with his mental science
14 discoveries, that it was a matter of medical record that he had
15 twice been pronounced dead, that his psychotherapy had been
16 subjected to rigorous scientific testing, that it cured all
17 psychosomatic ills and raised IQs a point per hour of therapy (I
18 had by this time had well over a thousand hours), that he had been
19 remunerated for his labors less than staff members were paid (in
20 my case between \$4.30 and \$17.20 per week throughout my 50 years),
21 and that he and his organization were ethical and well-
22 intentioned. When it became clear to me that I was not going to
23 be able to get the organization or Hubbard to admit to the lies
24 and take a more honest path I, and my wife Jocelyn, left the
25 organization.

26 6. Following my departure the organization published a
27 "Declaration" dated February 18, 1982 labelling me a "Suppressive
28 Person (SP)." An SP is considered in Scientology completely

1 psychotic and destructive, one of the two and a half percent truly
2 evil people on the planet. SPs are viewed as enemies of
3 Scientology and mankind and are targets for the organization's
4 "Fair Game Policy," which states specifically that they may be
5 lied to, cheated, sued and destroyed without discipline of the
6 Scientologist committing such acts. The SP Declare also accused
7 me of "spreading destructive rumors about senior Scientologists."
8 I knew in early 1982 that I was the target of Guardian's Office
9 intelligence operations because certain friends were contacted and
10 interrogated about me by known GO intelligence personnel. The
11 organization also appropriated a set of photographs I had
12 entrusted with an associate, Virgil Wilhite, and when I demanded
13 their return told me to get a lawyer.

14 7. A few days later I met with attorney Michael Flynn who
15 agreed to defend me against the organization, which on April 22,
16 1982 published a second SP declare accusing me of eighteen
17 "crimes, high crimes and suppressive acts," including, inter alia,
18 promulgating false information about Hubbard and the organization.
19 In the late spring and summer of 1982 I obtained from Omar
20 Garrison with his permission some of the documents I had delivered
21 to him while in the organization which I considered I would need
22 to defend myself against the organization's charges in the SP
23 declares and whatever actions they would bring against me in the
24 non-Scientology courts. I sent these to Mr. Flynn and to Contos
25 and Bunch, a California law firm which by then had agreed to
26 represent me in Scientology litigation. The organization filed
27 suit against me in the Los Angeles Superior Court on August 2,
28 1982 and the Hubbard biography documents I had sent to my lawyers

1 were ordered by the Court to be deposited with the clerk where
2 they stayed until trial in the spring of 1984.

3 8. In August and September 1982 the organization employed a
4 number of private investigators to surveil and harass my wife and
5 me. During that period one of these investigators assaulted me
6 bodily, and another struck my body with a car, and attempted to
7 involve me a freeway accident by getting in front of my car and
8 slamming on his brakes and pulling alongside my car and swerving
9 into my lane. The organization also attempted to get the Los
10 Angeles Police Department to bring criminal charges against me in
11 connection with the Hubbard documents which had become the subject
12 of the litigation in the Superior Court.

13 9. I filed a cross-complaint in 1982 against various
14 Scientology corporations which was bifurcated from the underlying
15 document case and never tried because it settled in December 1986.
16 The document case was tried without a jury by Judge Paul G.
17 Breckenridge, Jr. who rendered a decision on June 20, 1984.
18 Between that time and the settlement the organization continued
19 its campaign against me which included at least these acts:

- 20 ▶ attempted entrapment;
- 21 ▶ illegal videotaping;
- 22 ▶ filing false criminal charges against me with the Los
23 Angeles District Attorney;
- 24 ▶ filing false criminal charges against me with the Boston
25 office of the FBI;
- 26 ▶ filing false declarations to bring contempt of court
27 proceedings against me on three occasions;
- 28 ▶ obtaining perjured affidavits from English private

1 investigators, who had harassed me in London in 1984, accusing me
2 of distributing "sealed" documents;

3 ▶ international dissemination of Scientology publications
4 falsely accusing me of crimes, including crimes against humanity;
5 and

6 ▶ culling and disseminating information from my supposedly
7 confidential auditing (psychotherapy) file.

8 10. On December 5, 1986 I was flown to Los Angeles, as were
9 several other of Mr. Flynn's clients with claims against the
10 organization to participate in a "global settlement." After my
11 arrival in LA I was shown a copy of a document entitled "Mutual
12 Release of All Claims and Settlement Agreement," hereinafter
13 referred to as "the settlement agreement," and some other
14 documents, which I was expected to sign.

15 11. The settlement agreement has now become a public
16 document, and it and its effects are issues in various lawsuits
17 now pending.

18 12. Upon reading the settlement agreement draft I was
19 shocked and heartsick. I told Mr. Flynn that the condition of
20 "strict confidentiality and silence with respect to [my]
21 experiences with the [organization]" (settlement agreement, para.
22 7D), since it involved over seventeen years of my life, was
23 impossible. I told him that the "liquidated damages" clause
24 (para. 7D) was outrageous; that pursuant to the settlement
25 agreement I would have to pay \$50,000.00 if I told a doctor or
26 psychologist about my experiences from those years, or if I put on
27 a resume what positions I had held during my organization years.
28 I told Mr. Flynn that the requirements of non-amenability to

1 service of process (para. 7H) and non-cooperation with persons or
2 organizations adverse to the organization (paras. 7G, 10) were
3 obstructive of justice. I told him that I felt that agreeing to
4 leave the organization's appeal of the decision in Armstrong and
5 not respond to any subsequent appeals (para. 4B) was unfair to the
6 courts and all the people who had been helped by the decision. I
7 told Mr. Flynn that an affidavit the organization was demanding
8 that I sign along with the settlement agreement was false. That
9 document, which I do not have, stated, inter alia, that my
10 disagreements with the organization had been with prior
11 management, and not with the then-current leadership. In fact
12 there had been no management change and I had the same
13 disagreements with the organization's "fair game" policies and
14 actions which had continued without change up to the time of the
15 settlement. I told him that I was being asked to betray
16 everything and everyone I had fought for against an organization
17 which was based upon injustice.

18 13. In answer to my objections to the settlement agreement,
19 Mr. Flynn said that the silence and liquidated damages clauses,
20 and anything which called for obstruction of justice were not
21 worth the paper they were printed on. He said the same thing a
22 number of times and a number of ways; e.g., that I could not
23 contract away my Constitutional rights; that the conditions were
24 unenforceable. He said that he had advised the organization
25 attorneys that those conditions in the settlement agreement were
26 not worth the paper they were printed on, but that the
27 organization, nevertheless, insisted on their inclusion in the
28 settlement agreement and would not agree to any changes. He

1 pointed out the clauses concerning my release of all claims
2 against the organization to date and its release of all claims
3 against me to date (paras. 1, 4, 5, 6, 8) and said that they were
4 the essential elements of the settlement and were what the
5 organization was paying for.

6 14. Mr. Flynn also said that everyone was sick of the
7 litigation and wanted to get on with their lives. He said that he
8 was sick of the litigation, the threats to him and his family and
9 wanted out. He said that as a part of the settlement he and all
10 co-counsels had agreed to not become involved in organization-
11 related litigation in the future. He expressed a deep concern
12 that the courts in this country cannot deal with the organization
13 and its lawyers and their contemptuous abuse of the justice
14 system. He said that if I didn't sign the documents all I had to
15 look forward to was more years of harassment and misery. One of
16 Mr. Flynn's other clients, Edward Walters, who was in the room
17 with us during this discussion, yelled at me, accusing me of
18 killing the settlement for everyone, and that everyone else had
19 signed or would sign, and everyone else wanted the settlement.
20 Mr. Flynn said that the organization would only settle with
21 everyone together; otherwise there would be no settlement. He did
22 agree to ask the organization to include a clause in my settlement
23 agreement allowing me to keep my creative works relating to L. Ron
24 Hubbard or the organization (para. 7L).

25 15. Mr. Flynn said that a major reason for the settlement's
26 "global" form was to give the organization the opportunity to
27 change its combative attitude and behavior by removing the threat
28 he and his clients represented to it. He argued that the

1 organization's willingness to pay us substantial sums of money,
2 after its agents and attorneys had sworn for years to pay us "not
3 one thin dime" was evidence of a philosophic shift within the
4 organization. I argued that the settlement agreement evidenced
5 the unchanged philosophy of fair game, and that if the
6 organization did not use the opportunity to transform its
7 antisocial nature and actions toward its members, critics and
8 society I would, a few years hence, because of my knowledge of
9 organization fraud and fair game, be again embroiled in its
10 litigation and targeted for extralegal attacks.

11 16. Regarding the affidavit the organization required that I
12 sign, Mr. Flynn said that the "disagreement with prior management"
13 could be rationalized as being a disagreement with L. Ron Hubbard,
14 and since Mr. Hubbard had died in January 1986 it could be said
15 that I no longer had that disagreement. Mr. Flynn said that the
16 organization's attorneys had promised that the affidavit, which
17 all the settling litigants were signing, would only be used by the
18 organization if I began attacking it after the settlement, and
19 since I had no intention of attacking the organization the
20 affidavit would never see the light of day.

21 17. During my meeting with Mr. Flynn in Los Angeles I found
22 myself facing a dilemma which I reasoned through in this way. If
23 I refused to sign the settlement agreement and affidavit all the
24 other settling litigants, many of whom had been flown to Los
25 Angeles in anticipation of a settlement, would be extremely
26 disappointed and would continue to be subjected to organization
27 harassment for an unknown period of time. I had been positioned
28 in the settlement drama as a deal-breaker and would undoubtedly

1 lose the support of some if not all of these litigants, several of
2 whom were key witnesses in my case against the organization.
3 Although I was certain that Mr. Flynn and my other lawyers would
4 not refuse to represent me if I did not sign the documents I also
5 knew that they all would view me as a deal-breaker and they would
6 be as disappointed as the other litigants in not ending the
7 litigation they desperately wanted out of. The prospect of
8 continuing the litigation with unhappy and unwilling attorneys on
9 my side, even though my cross-complaint was set for trial within
10 three months, was distressing. On the other hand, if I signed the
11 documents, all my co-litigants, some of whom I knew to be in
12 financial trouble, would be happy, the stress they felt would be
13 reduced and they could get on with their lives. Mr. Flynn and the
14 other lawyers would be happy and the threat to them and their
15 families would be removed. The organization would have the
16 opportunity they said they desired to clean up their act and start
17 anew. I would have the opportunity to get on with the next phase
18 of my life and the financial wherewithal to do so. I was also not
19 unhappy to at that time not have to testify in all the litigation
20 nor to respond to the media's frequent questions. If the
21 organization continued its fair game practices toward me I knew
22 that I would be left to defend myself and I accepted that fact.
23 So, armed with Mr. Flynn's advice that the conditions I found so
24 offensive in the settlement agreement were not worth the paper
25 they were printed on, and the knowledge that the organization's
26 attorneys were also aware of that legal opinion, I put on a happy
27 face and the following day went through the charade of a
28 videotaped signing.

1 18. It was my understanding and intention at the time of the
2 settlement that I would honor the silence and confidentiality
3 conditions of the settlement agreement, and that the organization
4 had agreed to do likewise.

5 19. Following the December 1986 settlement the organization
6 continued its fair game campaign against me in violation of the
7 spirit and letter of the settlement agreement. I detailed the
8 post-settlement violations I knew about in my declaration of March
9 15, 1990, which was filed in the Court of Appeal as an exhibit to
10 a document entitled "Defendant's Reply to Appellants' Opposition
11 to Petition for Permission to File Response and for Time" and
12 served on the Los Angeles Superior Court on March 24, 1990, and my
13 declaration of December 25, 1990, which was filed in the Court of
14 Appeal as "Defendant's Appendix" to "Defendant's Brief" and served
15 on the Los Angeles Superior Court on December 28, 1990. I request
16 that this Court take Judicial Notice of these declarations and the
17 exhibits thereto as they are part of the record in this case.

18 20. The organization's violations of the settlement
19 agreement include at least:

20 a) Use in 1987 of my name and a false and unfavorable
21 description of my organizational experiences in a "dead agent"
22 pack relating to Bent Corydon, pages 11, 12, 18 and 29 from which
23 are attached hereto true and correct copies as Exhibit E;

24 b) Filing several false affidavits, attached herewith are
25 true and correct copies as Exhibit F (Kenneth David Long's First
26 Affidavit dated October 5, 1987), Exhibit G (Kenneth Long's Second
27 Affidavit dated October 5, 1987), Exhibit H (Kenneth Long's Third
28 Affidavit dated October 5, 1987), Exhibit K (Sheila MacDonald

1 Chaleff's First Affidavit dated October 5, 1987), Exhibit I
2 (Kenneth Long's Fourth Affidavit dated October 7, 1987), and
3 Exhibit J (Kenneth Long's Fifth Affidavit dated October 8, 1987)
4 in the case of Church of Scientology of California v. Russell
5 Miller and Penguin Books Limited, Case no. 6140 in the High Court
6 of Justice in London England, accusing me of violations of court
7 orders in the Armstrong case, and labeling me "an admitted agent
8 provocateur of the U.S. Federal Government;"

9 c) Delivering a copy of an edited version of the 1984
10 illegal videotape of me, a photocopy of the cassette for which
11 showing the business card of organization private investigator
12 Eugene Ingram to the London Sunday Times (see Ex. H of Exhibit 1-
13 GG);

14 d) Threatening me with lawsuits on six occasions as set
15 forth in my March 15, 1990 and December 25, 1990 declarations of
16 which I have asked the Court to take judicial notice, above;

17 e) Threatening to release a description of a dream I had
18 had, and which the organization had stolen from a friend of mine,
19 if I did not assist them in preventing Bent Corydon from gaining
20 access to the Armstrong court file;

21 f) Using my name and a false rendition of the
22 organization's 1984 videotape operation where they attempted to
23 entrap me into the commission of a crime in the Complaint filed in
24 the case of Church of Scientology International v. Xanthos, Case
25 No. 91-4301 SVW filed August 12, 1991 in US District Court,
26 Central District of California (see Exhibit 1-DD at 13:23-14:17);

27 g) Using the same false rendition of the 1984 "Armstrong
28 Operation," perjurious declarations by organization lawyers and a

1 general attack on my character and truthfulness in various
2 pleadings filed in August 1991 in the case of Aznaran v. Church of
3 Scientology of California, et al, No. CV 88-1786 JMI in U.S.
4 District Court, Central District of California. Exhibit J to
5 Exhibit 1-GG is a true and correct copy of pages 2, 3, 33, and 34
6 of "Reply in Support of Defendants' Motion for Summary Judgment
7 Based on the Statute of Limitations." Exhibit K to Exhibit 1-GG
8 is a true and correct copy which comprises pages 4, 5, and 6 of
9 "Supplemental Memorandum in Support of Defendants' Motion to
10 Dismiss Complaint with Prejudice." Exhibit L to Exhibit 1-GG is a
11 true and correct copy of pages 2 - 5 and pages 9 and 10 (the
12 declaration of attorney Laurie J. Bartilson dated August 27, 1991)
13 of "Defendants' Opposition to Ex Parte Application to File
14 Plaintiffs' Genuine Statement of Issues [sic] re Defendants'
15 Motions (1) to Exclude Expert Testimony; and (2) for Separate
16 Trial on Issues of Releases and Waivers; Request that Opposition
17 Be Stricken." I have included only a few pages from these
18 documents in the interest of economy, but will file the complete
19 documents if the Court wishes. The organization has included my
20 declaration of September 3, 1991 "Regarding Alleged 'Taint' of
21 Joseph A. Yanny, Esquire", also filed in the Aznaran case in
22 response to its allegations in these pleadings, as Exhibit N to
23 its motion to enforce the settlement which is Exhibit 1-FF.

24 21. In late 1987 I received a telephone call from a reporter
25 for the London Sunday Times who told me that the organization had
26 delivered to the newspaper a stack of documents concerning me,
27 including materials from the 1984 illegal videotape "Armstrong
28 Operation," and he asked me to comment about them. I was greatly

1 saddened by this news, but told the reporter only that I
2 considered the organization's action a violation of its agreement
3 with me and I would not comment further.

4 22. When I was threatened in 1988 with exposure of the
5 stolen dream recitation (see 3-15-90 declaration, para. 40), I
6 considered I was being blackmailed. In the hope that by my
7 example I would deter further such conduct, I did not violate the
8 settlement agreement. I learned this past August 1991 in
9 Johannesburg, South Africa that the organization had given a copy
10 of the dream recitation, which had been specifically sealed in the
11 Armstrong litigation, to its representatives in that country.

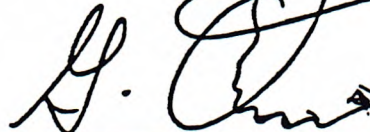
12 23. When I had several times been threatened by organization
13 attorney Larry Heller that I would be sued if I did not obstruct
14 justice as directed by the organization, and when it had become
15 obvious to me that I could not avoid a confrontation with the
16 organization (see 3-15-90 declaration, paras. 4-8, 44) did I
17 respond to defend myself and to correct the injustices created by
18 the settlement agreement and the organization's violations
19 thereof.

20 25. The first action I took was to file on February 28, 1990
21 in the California Court of Appeal, Second Appellate District, in
22 the appeal the organization had maintained from the June 20, 1984
23 decision in Armstrong, a document entitled Respondent's Petition
24 for Permission to File Response and for an Extension of Time to
25 File Response," attached as Exhibit N to Exhibit 1-GG. I did so
26 in part because in my research of my rights following my
27 recognition that I could not avoid involvement I discovered that
28 my agreement to not respond pursuant to the settlement contract

1 was an obstruction of justice. After the Court of Appeal granted
2 my petition on March 9, 1990, I did thereafter file a respondent's
3 brief. Thereafter, on July 29, 1991 an opinion issued in that
4 appeal upholding the trial court's decision on the merits.

5 I declare under the penalty of perjury under the laws of the
6 State of California that the foregoing is true and correct.

7 Executed this March 16, 1992, at San Anselmo, California.

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11 Gerald Armstrong
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FLAG CONDITIONS ORDER 6664R

18 February 1982
Revised 22.4.82

SUPPRESSIVE PERSON DECLARE

GERRY ARMSTRONG

GERRY ARMSTRONG, now of Costa Mesa, California, is hereby DECLARED
A SUPPRESSIVE PERSON according to HCO PL 7 Dec 76 LEAVING AND LEAVES:

"Where a person is secretly planning to leave and making private preparations to do so without informing the proper terminals in an org and does leave (blow) and does not return within a reasonable length of time an automatic Declare is to be issued."

Gerry took an unauthorized leave in December 1981 and has refused to return and route out properly although he has been contacted and repeatedly requested to do so.

Since Gerry was declared on 18 Feb 1982, reports have been made that also bring the following charges against him for Crimes and High Crimes and Suppressive Acts against the Church:

1. THEFT.
2. ILLEGALLY TAKING OR POSSESSING CHURCH PROPERTY.
3. RESELLING ORG MATERIEL FOR PRIVATE GAIN.
4. IMPERSONATING A SCIENTOLOGIST OR STAFF MEMBER WHEN NOT AUTHORIZED.
5. FALSIFYING REPORTS.
6. MAKING OUT OR SUBMITTING OR ACCEPTING FALSE PURCHASE ORDERS.
7. JUGGLING ACCOUNTS.
8. OBTAINING LOANS OR MONEY UNDER FALSE PRETENSES.
9. ISSUING THE DATA OR INFORMATION OR INSTRUCTIONAL OR ADMINISTRATIVE PROCEDURES WITHOUT CREDIT OR FALSELY ASSIGNING CREDIT FOR THEM TO ANOTHER.
10. ENGAGING IN MALICIOUS RUMOUR-MONGERING TO DESTROY THE AUTHORITY OR REPUTE OF HIGHER OFFICERS OR THE LEADING NAMES OF SCIENTOLOGY OR TO "SAFEGUARD" A POSITION.
11. SEEKING TO SPLINTER OFF AN AREA OF SCIENTOLOGY AND DENY IT PROPERLY CONSTITUTED AUTHORITY FOR PERSONAL PROFIT, PERSONAL POWER OR "TO SAVE THE ORGANIZATION FROM THE HIGHER OFFICERS OF SCIENTOLOGY."
12. PRONOUNCING SCIENTOLOGISTS GUILTY OF THE PRACTICE OF STANDARD SCIENTOLOGY.
13. WILLFUL LOSS OR DESTRUCTION OF CHURCH PROPERTY.
14. HOLDING SCIENTOLOGY MATERIALS OR POLICIES UP TO RIDICULE, CONTEMPT OR SCORN.
15. SPREADING DESTRUCTIVE RUMOURS ABOUT SENIOR SCIENTOLOGISTS.
16. PRETENDING TO EXPRESS A MULTIPLE OPINION (USE OF "EVERYBODY") IN VITAL REPORTS.
17. BEING A KNOWING ACCESSORY TO A SUPPRESSIVE ACT.
18. FAILURE TO HANDLE OR DISAVOW AND DISCONNECT FROM A PERSON DEMONSTRABLY GUILTY OF SUPPRESSIVE ACTS.

Since Gerry Armstrong left the Church, he has falsely represented himself to others and said he was on a "secret mission." Representing himself then as a staff member, he then misrepresented the actions of the Church and its members to others. Gerry has chronically misrepresented himself and others.

EXHIBIT A

4F

He has spoken out for LSD and LSD-proponent Timothy Leary knowing all well that such illicit drugs are strictly prohibited by the Church and that Church Founder L. Ron Hubbard has written against their usage promotion due to their destructive nature. Knowing that LRH also researched and written how to combat the effects of these illicit drugs, Gerry Armstrong has degraded LRH's research and prefers to promote research of Timothy Leary.

Gerry has taken and sought to sell Church property. He has also failed to return Church property he obtained. He also falsified his Church financial records by failing to state the nature of the intended purchases and failing to spend the money for the approved items. Records of him show purchases for personal items as well as covering the expenses of non-Church companies.

Gerry was also found to be promulgating false information about the Church, its Founder and members. He used his position to create and transmit erroneous information under the guise of "documentation." Altered documents have been found in his area.

Should Gerry Armstrong come to his senses and wish to recant, he should apply steps A-E of HCO PL 16 May 80 III ETHICS, SUPPRESSIVE ACTS, SUPPRESSION OF SCIENTOLOGY AND SCIENTOLOGISTS. Should he fail to apply these steps he will be expelled from the Church and be debarred. Should he claim the label or the charges to be false, he may request a Committee of Evidence per the above referenced policy.

His only terminal is the Continental Justice Chief PAC.

PO1 Paul Laquerre
Int Justice Chief

Authorized by AVC

for the

CHURCH OF SCIENTOLOGY
INTERNATIONAL

EXHIBIT G

MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

1. This Mutual Release of All Claims and Settlement Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this block

amount, the receipt of which he hereby acknowledges. Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.



Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or unknown,

for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the Church of

Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and

settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other

similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the

settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of \$50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose

concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV

85-0440-HLH(Tx), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make

himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.

L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically

incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and

all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement,

representation or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.

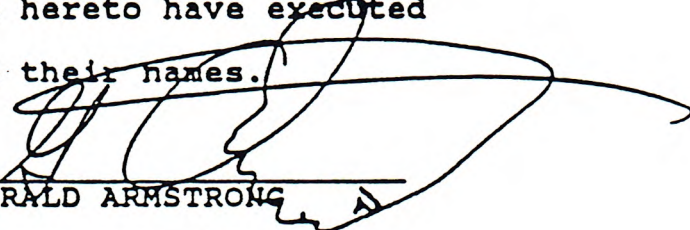
20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

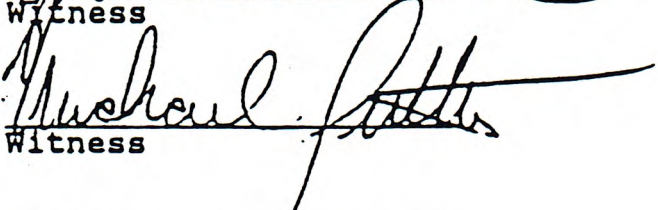
21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 1985

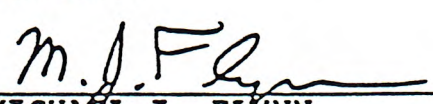

GERALD ARMSTRONG


Witness

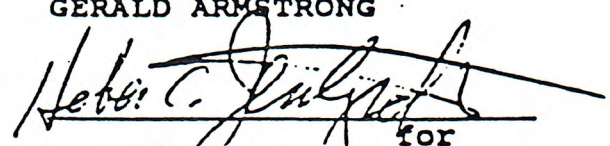

Witness

Dated: 12/6/86

APPROVED AS TO FORM AND
CONTENT:


MICHAEL J. FLYNN
Attorney for
GERALD ARMSTRONG

Dated: December 11, 1986


for
CHURCH OF SCIENTOLOGY
INTERNATIONAL



SETTLEMENT AGREEMENT

Work
Copy

A. PRIOR SETTLEMENTS:

Settlement agreements made prior to November 1, 1986 and prior to the collective settlement stated below:

<u>Client</u>	<u>Amount</u>	<u>Fee and Expenses</u>
(1) Bears	\$115,000.00	To be determined with local counsel
(2) Garritys	\$175,000.00	To be determined with local counsel
(3) Petersons	\$175,000.00	To be determined with local counsel
(4) Jefferson	\$150,000.00	To be determined with local counsel
(5) Lockwood	\$150,000.00	To be determined with local counsel
(6) Hartwell	\$150,000.00	To be determined with local counsel
	<u>\$915,000.00</u>	To be determined with local counsel

B. INDEPENDENT SETTLEMENT:

The Christofferson-Titchborne settlement was made separate from the collective settlement. It was agreed to between attorney Gary McMurray, his client, Julie Christofferson-Titchborne and the Church of Scientology.

<u>Client</u>	<u>Amount</u>	<u>Fee and Expenses</u>
Christofferson-Titchborne	\$100,000.00	To be determined by attorney McMurray and client. None of the attorneys representing other clients in the collective settlement represent or have represented Christofferson-Titchborne.

C. COLLECTIVE SETTLEMENT:

The following cases/clients are part of a collective settlement made on December 11, 1986. The undersigned acknowledge that the settlement set forth above in Paragraphs A and B were made as separate settlements, meaning that the cases/clients listed in Paragraphs A and B agreed to the amounts stated therein prior to the collective settlement as in Paragraph A, and independent from the collective settlement as in Paragraph B. The total amount of the collective settlement is \$2,800,000.00. The total amount of the collective settlement and the prior independent settlements in Paragraphs A and B is \$3,815,000.00. The collective settlement allocation is as follows:

<u>Client</u>	<u>Amount</u>	<u>Fee and Expenses</u>
(1) Nancy Dincalci	\$ 7,500.00	None
(2) Kim Douglas	\$ 7,500.00	None
(3) " " "	" " "	" " "
(4) " " "	" " "	" " "

(11-11-86)
-2-

(3)	Robert Dardano	\$ 15,000.00	None
(4)	Warren Friske	\$ 15,000.00	None
(5)	William Franks	\$ 40,000.00	None
(6)	Laurel Sullivan	\$ 40,000.00	None
(7)	Edward Walters	\$100,000.00	To be determined between client and attorneys
(8)	Howard Schomer	\$200,000.00	To be determined between attorney Bunch and client
(9)	Martin Samuels	\$500,000.00	To be determined between attorney McMurray and client
(10)	Gerald Armstrong v. Church of Scientology	\$800,000.00	To be determined between attorney Bunch and client
(11)	Fees and expenses to attorneys Contos & Bunch, Robert Kilbourne, Michael Flynn, and associated counsel for the prosecution and defense of various cases including the "Hubbard documents" case, the "check- frame up" case and the defense of approximately 17 lawsuits against attorney Flynn and his clients.	\$500,000.00	To be determined between attorneys Contos & Bunch, Michael Flynn, Robert Kilbourne, and associated counsel
(12)	Flynn v. Ingram (No. _____) Flynn v. Hubbard (No. _____)	\$575,000.00 -0-	To be determined between attorney Flynn and his counsel
		\$2,800,000.00	

We, the undersigned, agree and acknowledge that

- (1) we have read the foregoing Settlement Agreement;
- (2) that we agree with the total settlement amount and the allocations to the respective cases/clients as set forth therein;
- (3) that we have either consulted, been advised to consult, or have had the opportunity to consult with attorneys other than Michael J. Flynn who, we acknowledge is also a claimant against the Church of Scientology and L. Ron Hubbard;
- (4) that we agree to maintain the confidentiality of this Settlement Agreement;
- (5) that we acknowledge that many of the cases/clients involved in this settlement have been in litigation against the Church of Scientology for more than six to seven years, that many have been subjected to intense, and prolonged harassment by the Church of Scientology throughout the litigation, and that the value of the respective claims stated therein is measured in part by the (a) length and degree of harassment; (b) length and degree of involvement in the litigation; (c) the individual nature of each respective claim in connection with either their involvement with the Church of Scientology as a member and/or as a litigant; (d) the unique value of each case/client based on a variety of things including, but not limited to, the current procedural posture of a case, specific facts unique to each case, and financial, emotional or consequential damage in each case; that we agree and

acknowledge that Michael J. Flynn has primarily been responsible for bearing the cost of the litigation over a period of approximately seven years, that he or his firm's members have been required to defend approximately 17 lawsuits and/or civil/criminal contempt actions instituted by the Church of Scientology against him, his associates and clients, that he and his family have been subjected to intense and prolonged harassment, and that his claims against the Church of Scientology and L. Ron Hubbard, and his participation as an attorney have a unique value which is accurately and properly reflected in the allocations set forth herein.

Nancy Dincalci
NANCY DINCALCI

DATE: Dec 5, 1986

Kima Douglas
KIMA DOUGLAS

DATE: Dec 5 - 1986

Robert Dardano
ROBERT DARDANO

DATE: Dec - 20 - 1986

Warren Friske
WARREN FRISKE

DATE: _____

Laurel Sullivan
LAUREL SULLIVAN

DATE: Dec 7, 1986

Julie Christofferson
JULIE CHRISTOFFERSON

DATE: Dec 6, 1986

EXHIBIT H

Paul Garrison
William Franks

DATE: _____

DATE: 5.2.86

Edward Walters
EDWARD WALTERS

DATE: December 7th 1986

Howard Schoner
HOWARD SCHONER

DATE: 12-5-86

Martin Samuels
MARTIN SAMUELS

DATE: Dec. 4, 1986

Gerald Armstrong
GERALD ARMSTRONG

DATE: 12-6-86

MICHAEL J. FLYNN

DATE: _____

CONTOS & BUNCH
A PROFESSIONAL CORPORATION

BY: Bruce N. Bunch
BRUCE N. BUNCH JULIA PRASCHKE

DATE: 12-10-86

Gary Mc Murray
GARY MC MURRAY

DATE: December 6, 1986

ROBERT KILGOURNE

DATE: _____

Jane Patterson
3:3:17

DATE: _____

Richard Patterson

DATE: _____

John A. F.

DATE: 12/5/86

EXHIBIT H-

SETTLEMENT AGREEMENT

A. PRIOR SETTLEMENTS:

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	<u>Client</u>	<u>Amount</u>	<u>Fee and Expenses</u>
(1)	Nancy Dincalci	\$ 7,500.00	None
(2)	Rima Douglas	\$ 7,500.00	None

(3)	Robert Dardano	\$ 15,000.00	None
(4)	Warren Friske	\$ 15,000.00	None
(5)	William Franks	\$ 40,000.00	None
(6)	Laurel Sullivan	\$ 40,000.00	None
(7)	Edward Walters	\$100,000.00	To be determined between client and attorneys
(8)	Howard Schomer	\$200,000.00	To be determined between attorney Bunch and client
(9)	Martin Samuels	\$500,000.00	To be determined between attorney McMurray and client
(10)	Gerald Armstrong v. Church of -- Scientology	\$800,000.00	To be determined between attorney Bunch and client
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- (1) we have read the foregoing Settlement Agreement;
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- (3) that we have either consulted, been advised to consult or have had the opportunity to consult with attorneys other than Michael J. Flynn who, we acknowledge is also a claimant against the Church of Scientology and L. Ron Hubbard;
- (4) that we agree to maintain the confidentiality of this Settlement Agreement;
- (5) that we acknowledge that many of the cases/clients involved in this settlement have been in litigation against the Church of Scientology for more than six to seven years, that many have been subjected to intense, and prolonged harassment by the Church of Scientology throughout the litigation, and that the value of the respective claims stated therein is measured in part by the (a) length and degree of harassment; (b) length and degree of involvement in the litigation; (c) the individual nature of each respective claim in connection with either their involvement with the Church of Scientology as a member and/or as a litigant; (d) the unique value of each case/client based on a variety of things including, but not limited to, the current procedural posture of a case, specific facts unique to each case, and financial, emotional or consequential damage in each case; that we agree and

acknowledge that Michael J. Flynn has primarily been responsible for bearing the cost of the litigation over a period of approximately seven years, that he or his firm's members have been required to defend approximately 17 lawsuits and/or civil/criminal contempt actions instituted by the Church of Scientology against him, his associates and clients, that he and his family have been subjected to intense and prolonged harassment, and that his claims against the Church of Scientology and L. Ron Hubbard, and his participation as an attorney have a unique value which is accurately and properly reflected in the allocations set forth herein.

NANCY DINCALCI

DATE: _____

KIMA DOUGLAS

DATE: _____

ROBERT DARDANO

DATE: _____

WARREN FRISKE

DATE: _____

LAUREL SULLIVAN

DATE: _____

WILLIAM FRANKS

DATE: _____

EDWARD WALTERS

DATE: _____

HOWARD SCHOMER

DATE: _____

MARTIN SAMUELS

DATE: _____

GERALD ARMSTRONG

DATE: _____

MICHAEL J. FLYNN

DATE: _____

CONTOS & BUNCH
A PROFESSIONAL CORPORATION

By: BRUCE M. BUNCH

DATE: _____

GARY MC MURRAY

DATE: _____

ROBERT KILBOURNE

DATE: _____

3:3:17

6
INDEMNITY AGREEMENT

The undersigned hereby agree to jointly indemnify MICHAEL J. FLYNN within the limitation described in the last paragraph hereof, in the event, and only in the event, all of the following conditions occur:

1. The case of Church of Scientology of California v. Armstrong, Los Angeles Superior Court No. 420153 and Court of Appeal No. B005912 the appeal of which is presently pending before the California Appellate Courts, Second District, is reversed and the damage cause of action therein is remanded for a retrial by said the Appellate Court; and

2. The Plaintiff therein, Church of Scientology of California, retries any part of said action, pursuant to that remand, wherein the Church of Scientology of California prays for damages; and

3. Judgment is entered pursuant to said retrial in favor of the Church of Scientology of California and against Gerald Armstrong; and

3. Gerald Armstrong pays any part or all of said judgment for damages; and

4. Michael J. Flynn reimburses Gerald Armstrong for any part or all of the monies paid to the Church of Scientology of California by Gerald Armstrong pursuant to the said judgment.

If all of the foregoing conditions occur the undersigned will indemnify Michael J. Flynn only for the sum of money he has reimbursed Gerald Armstrong. In no event will the undersigned

45

indemnify Michael J. Flynn for any sum greater than twenty-five thousand dollars.

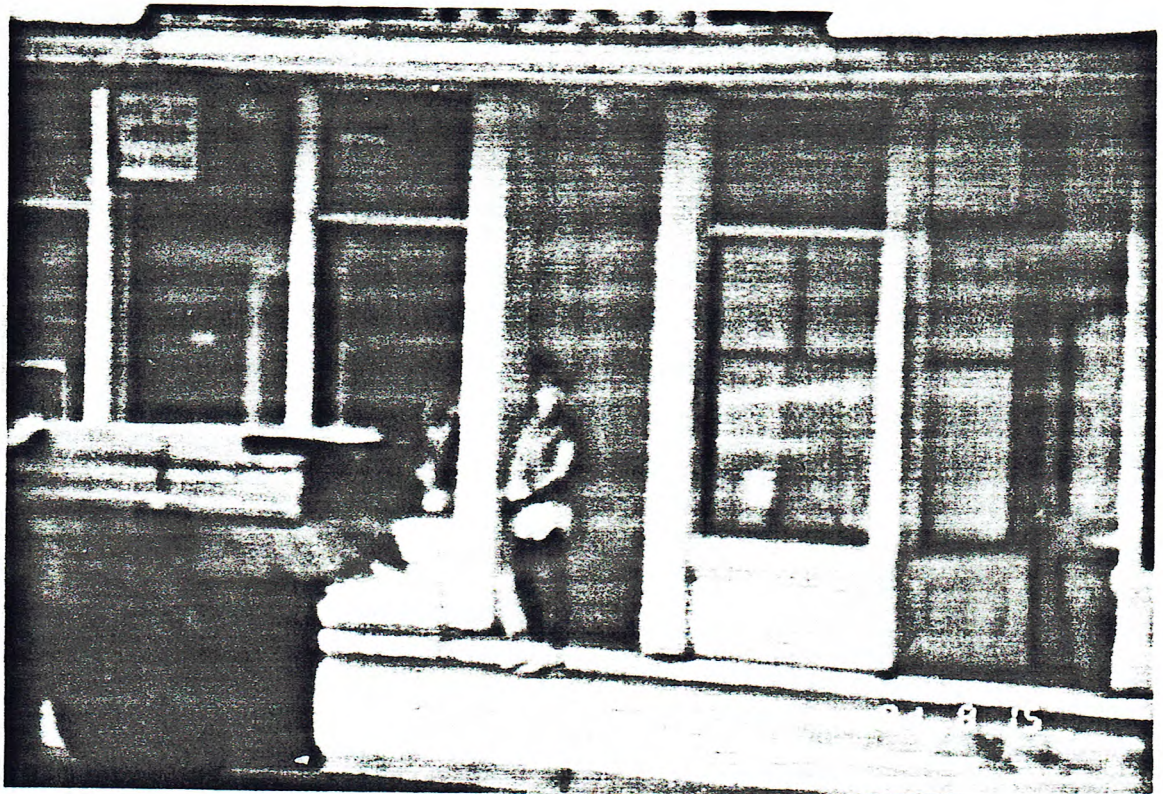


EARLE C. COOLEY

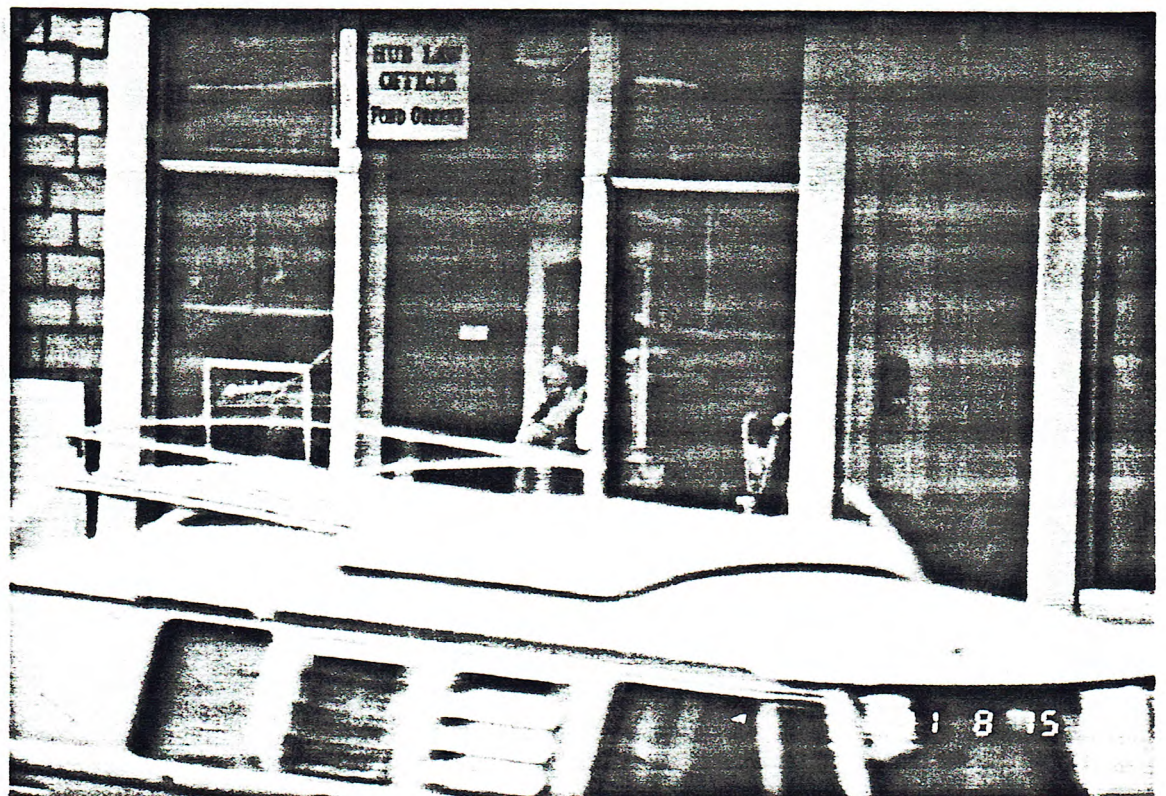


LAWRENCE E. HELLER











Eric M. Lieberman, Esq.
Rabinowitz, Boudin, Standard,
Krinsky & Lieberman, P.C.
740 Broadway, Fifth Floor
New York, NY 10003-9518

August 21, 1991

Dear Mr. Lieberman:

Organization operatives filmed me yesterday at least in the following situations:

1. Talking to an employee of attorney Ford Greene, in the doorway to Mr. Greene's office, at 711 Sir Francis Drake in San Anselmo, California.
2. Walking outside Mr. Greene's office.
3. Pulling on a T-shirt outside Mr. Greene's office.
4. Running outside Mr. Green's office.

Whilst I was on foot I was also pursued by one of the operatives driving a white Cadillac.

The driver of the Cadillac was later confronted by Mr. Greene who also recorded the licence number of Cadillac and the other vehicle being used by the operatives.

I doubt that you find it hard to believe that I consider the organization's operation has as its major target in the eval known but to two or maybe three or even four the assassination of Gerry Armstrong.

I am not unmindful of your use of the earlier videotape event in your Petition For Rehearing filed in the Armstrong appeal (n. 1, p. 6, second edition; n. 2, p.5, first edition).

There was no reason to videotape me as proof that I was associating with Ford Greene. I had spoken the day before to two of your fellow org lawyers, Laurie Bartilson and Bill Drescher, and two men from SO legal liaison staff, Howard Gutfeld and August Murphy, and from none of whom had I withheld the fact that I was helping Mr. Greene. None of them were not aware that I was speaking to them from Mr. Greene's office because all of them except for Mr. Murphy called Mr. Greene's office and I had spoken to

00 29

them when I answered Mr. Greene's telephone to take messages for him while he was out of his office. Mr. Murphy spent some time in Mr. Greene's office and we spoke for a few minutes. I am quite certain he left with the impression that I was helping Mr. Greene, and specifically in the Aznaran case since, in addition to my saying so, he did observe me carrying into Mr. Greene's office two boxes containing the mega-copies of the two Oppositions to Summary Judgment Motions (Statute of Limitations and First Amendment) and related documents, and did hear me lament that his organization had cost Mr. Greene that very day over seven hundred dollars in copying costs.

I did note the sophrosynial shift in the two writers of the second edition of the Petition For Rehearing. I imagine the organization's idea of having Marty talk to me is not in the works.

I'm sure you understand why I do help those who need it, and why people who litigate with the organization need it. And I'm sure you know how utterly unbiased I am in that all I oppose are antisocial policies and activities. In that Scientology denies that any of its policies or activities are antisocial I am not opposed in any way to what Scientology says it is and says it does. I am only opposed to antisocial policies and practices.

It is really a matter of logistics. Your organization scares people. It scares me. There are therefore few people willing to do what needs to be done regarding the organization. I am simply willing to do what I can no matter how scary it is. If there were not so many people afraid of your organization I wouldn't need to do what I can to help.

As you know, the organization has at times terrorized me, it has a policy of revenge, its present owners have a personal hatred for me, and it has acted with its fair game doctrine directing its attitude and acts toward me since and in violation of the settlement. Obviously, then, it is in every way reasonable for me to associate with and help those who have the courage to oppose the organizational beast.

Then there's the religious argument. And its legal corollary: if antisocial acts are religious, then so must be any opposition to antisocial acts.

Then there's the matter of theology.

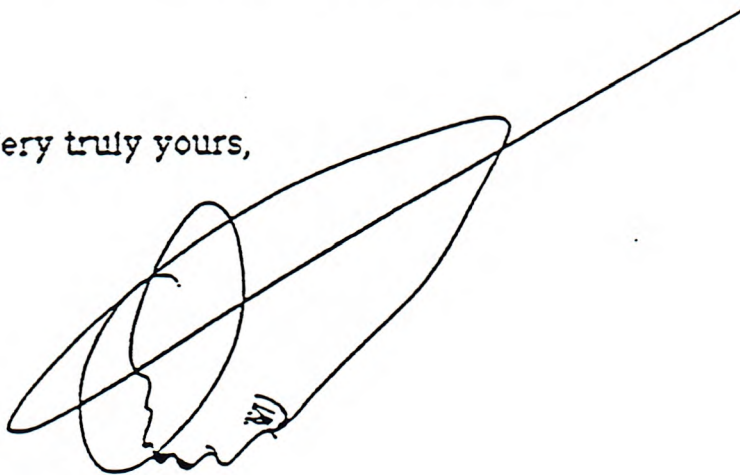
All of which brings me to the matter at hand. You know about compartmentalization, PIs, cutouts, lies and paranoia. There probably are things which can be done to bring the organization's self-destructive

00 30

insitutionalized hatred to a peaceful conclusion. Although you exhibit in your most recent descriptions of me and in your willingness to go beyond mere factual twists, a new and greater animus, I still have an idea that you can do something.

I trust you'll reply.

Very truly yours,

A handwritten signature in dark ink, appearing to be 'Gerry Armstrong', written in a cursive style. The signature is positioned below the text 'Very truly yours,' and is enclosed within a large, loopy, handwritten oval or loop that extends upwards and to the right.

Gerry Armstrong
(415)456-8450

FLAG STATE

Stat	Per year	Per Week
Well Done Auditing Hours	156,000	3,000
Student Completions	4,160	80
Student Points	1,200,000	23,077
Paid Starts	8,173	157
TOTAL FOR ALL 50 ORGS		
Well Done Auditing Hours	234,000	4,500
FSM Commissions Paid (\$)	1,556	30

It is not terribly difficult to express some of these stats in terms of dollars. Flag's 156,000 hours per year, given a conservative \$250 per hour, comes to \$39 million, or \$750,000 per week. And this does not include accommodations, training, books, meters, etc. It is difficult to understand, in light of this, why there have been veils of rice and bean, levered staff pay, etc. Either Flag is booming or it is not.

This entire examination is predicated on RJ38 being true in every respect. If we challenge some of the "given" stats (ie. 164 class IV orgs - really?) the logic of the presentation sharply deteriorates.

To be fair, things were better in the church in 1983 than they are at this writing (Aug 84), so it might not be precise to judge the accuracy of RJ38 b; current church stats.

PLT/DEPT Exhibit 10
 Authentication
 Allred L. W. N. P.
 Date 6/15/89
 With [Signature]

ON CONTROL AND LYING

THE ONLY WAY YOU CAN CONTROL PEOPLE IS TO LIE TO THEM. You can write that down in your book in great big letters. The only way you can control anybody is to lie to them. When you find an individual is lying to you, you know that the individual is trying to control you. One way or another this individual is trying to control you. That is the mechanism of control. This individual is lying to you because he is trying to control you - because if they give you enough misinformation they will pull you down the tone scale so that they can control you. Conversely, if you see an impulse on the part of a human being to control you, you know very well that that human being is lying to you. Not "is going to", but "is" lying to you.

Check these facts, you will find they are always true. That person who is trying to control you is lying to you. He's got to tell you lies in order to continue control, because the second you start telling anybody close to the truth, you start releasing him and he gets tougher and tougher to control. So, you can't control anybody without telling them a bunch of lies. You will find that very often Command has this as its greatest weakness. It will try to control instead of leading. The next thing you know, it is lying to the c w lie, lie, lie, and it gets worse and worse, and all of a sudden the thing blows up. Well, religion has done this. Organized religion tries to control, so therefore it must be lying. After a while it figures out (even itself) that it is lying, and then it starts down tone scale further and further, and all of a sudden people get down along this spring-like bottom (heresy) and say, "Are we going into apathy and die, or are we going to revolt?" And they revolt, because you can only lie to people so long. Unfortunately there is always a new cycle of lying.

L. Ron Hubbard
 Technique 66

How to Steal Documents

COPY -

17 OCT 71

INT HATTING:

THE STRIKE

*file in appropriate
mat folder*

A strike is the action of gathering information on a covert basis. It is performed by one or more agents (persons doing the strike), who are intentionally aiming at a target (the desired info, or the person who has the target info, etc.).

It is assumed that the individual is hatted as an INT agent.

The strike is done in 12 steps, and each step follows consecutively (thus, step 2 should not be begun until step 1 is completed, and any new observation pertaining to an earlier step during the doingness of a latter step requires re-evaluation of the interim steps and verification of all the data acquired in the process).

The amount of time spent on a step and the amount of info needed for a respective step to be completed depends upon the target. The objective is to get all of the target info, by whatever means is necessary. For example, if the target is well-known and readily accessible to the agent(s), the strike may be achieved very quickly. On the other hand, if the agent(s) knows very little about the target, has no current access to the target, and the target is a large quantity of data, it may take extensive research, planning, and on-target observation to begin the actual strike.

The quantity of knowledge needed to complete each step is relative to the circumstances of the target.

THE STEPS OF STRIKING

- 1) Receive the assignment to strike. This usually comes in the form of an order from the agent's senior. The senior may either officially order or unofficially suggest the strike, either way, the idea is given to the agent that the info must be covertly gathered from some source.
- 2) Take ownership of the job. Here the individual determines that he is going to be the one to do the strike.
- 3) Identify the target. This may be knowing the name of a person or group on whom info must be covertly gathered, or it may be knowing the specific location of the place of wanted data, or simply being told to "see what they are up to." Either way, the purpose here is to have a starting basis for the strike.
- 4) Gather info on the target area (the location of the target) for the purpose of striking. This includes any info that would be pertinent to striking. Info is pertinent to striking if it helps the agent to locate (pin-point) the specific target, gain access to the target area and the target, learn the routines of the target area, or anything else that would help to put the agent in control of the target during the strike itself.

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5) Determine the most optimum means available for gaining access to the target area, on the basis of the info now known about it. This includes having a cover.

A cover is the pretense the agent assumes to make the strike possible. It includes anything that protects the agent from exposure as the agent of the strike (eg, assuming the cover of a newspaper man who wants to write an article on Scientology, with the objective of having the target group provide the agent with info on its activities as regards Scientology, but not know that this info will be used by Scientology itself). The most optimum cover is one that excludes the agent from any suspicion by the target. In some instances this would include wearing squeakless shoes, and carrying a large purse or attache at all times so that the one time the agent is carrying target info in the purse or attache, he is not questioned about its contents.

6) Gain access to the target area. This may include obtaining full-time employment from the target if the target is an organization, or simply contacting a person on a friendly basis so that the agent can gain access to personal files kept at home, or any other means that provides access to the target and a timespan of access to the target that will allow the agent to gather all of the info that is wanted.

It is possible that the access to the data will require repeated strikes — and thus, long-term procedures (eg, full-time employment would allow long-term procedures and repeated strikes of the target were an organization).

This step may also be called penetration.

7) Directly observe the target area for verification of the knowledge gained in the preceding steps and continue to gather new data that would be pertinent to striking. This includes determining the actual security measures used by the target area to keep the target safe. (eg, guards making security rounds, locked cabinets, maintenance personnel after working hours, closed circuit TV cameras, alarm systems, etc).

Three tools that are available to the agent (and have been tested and proved valuable in actual strike activity that required very strict security) include:

01 - SECURITY RULE OF THREE: If the agent observes an activity in the target area occurring three separate times under identical or similar conditions within a given period of time (usually one week), he can use these observations in planning his striking activity.

One always observes for current and usual (predictable) activities in the target area, and accessible exits from the target area for "quick-get-away."

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#2 - SECURITY RADIUS: a distance around the target that can be postulated as creating a safe condition for strike activity. The radius may be used to listen for persons coming near the target area during strike-preparation and actual strike activity. (eg, if the strike requires that no one know that the agent has been in the target area, the agent should be able to hear someone enter his security radius and quickly leave the target area without being seen or heard by the intruder and without leaving evidence of his presence).

#3 - If the target is extensive written material, it may be most optimum to have a separate location from the target area for reading and xeroxing or transcribing the data — this is called a **SAFE READING PLACE**. If this is needed for strike activity, it should be determined during step 7 of striking procedures.

The final aspect of step 7 is evaluation of all data obtained upon direct observation of the target area and re-evaluation of the data learned in the preceding six steps in light of the direct observation data.

8) Determine how to safely get the target information from the target area to the person who wants the info. (This would include making sure that the agent's cover is adequately planned (eg, the big purse, etc.)

9) Plan the actions, step by step, that will be necessary in doing the strike. For instance, it may be found that the most optimum time to strike is between 12:50 PM and 12:55 PM. Thus the agent would plan to arrive at the target area at 12:51 PM; if the target area is safe (no persons present), he would then proceed to perform the strike, always listening to his security radius for intruders; he would proceed with operations until 12:50 PM, making sure that he is out of the target area by 12:52 PM. This plan might include hitting the target, getting the info xeroxed in the safe reading place, and returning the target info to its original location by 12:58 PM.

This step includes preparation for any unusual circumstances that might arise and how they would best be handled. For instance, if someone entered the security radius of the above situation at 12:40 PM, would the agent leave the area immediately or wait for the person to leave the security radius?

The purpose of step 9 is to make sure that the agent has enough knowledge to perform the strike safely, accurately, and thoroughly.

10) On the basis of the preceding steps, begin either a pretend dry-run of the strike (to check for unknowns and remedy them immediately) or do the actual strike, depending on the circumstances of the entire situation.

The following is an example. It was actually done by an agent in both dry-run and actual strike procedures at a national organization's headquarters. The agent was a full-time employee of the group, and worked on a different floor from the one where the target info was located. The agent had to maintain a totally safe operating condition during strike procedures (ie, it was predetermined that anyone within the security radius was dangerous to the agent and warranted stopping strike activity immediately, and that the less time

time spent in the target area the more safe the operating condition):

- a - agent went to the target area — no one else was present — proceeded.
- b - agent found target file.
- c - agent stood near target file — the label appeared to indicate this file was the target. Agent determined a safe radius for future activity and listened for the usual sounds — a through c were safe, proceeded.
- d - agent checked file contents, always listening to the security radius. Still safe, so agent proceeded.
- e - file contents appeared to be wanted, could agent pull them to take to the safe reading place? Yes. Agent proceeded.
- f - Agent took file to safe reading place, going by the (predetermined) quickest route, agent observed security radius at all times.
- g - target data was exactly what was wanted. Agent xeroxed data and then hid xeroxes in a place that was safe while the agent was returning the target materials. This included the possibility that the agent would not be able to return to the hiding place for quite a while and a place that would not indicate that the xeroxes belonged to the agent if another person found them.
- h - agent returned to target area, repeating steps a through c, then put file back exactly where it was found (continually observing the security radius).
- i - agent took target data (xeroxes) out of the building without being suspected. This required wearing a cape under which the xeroxed data was hidden in a large purse and being friendly with the night guard.
- j - Agent took evidence and written report of all strike-related activities to agent's senior within 3 hours after strike occurred.

11) Get info to the person who wants it, by the safest and quickest route.

12) Report all strike-related actions in a written report.

It should be noted here that written progress reports (most optimum) and verbal reports may be given to the agent's senior at any time during the strike procedures. Any report should be written with the objective of informing the senior of the progress done to date and/or reporting any change in agent-like or strike-related activities. A report never serves the purpose of asking the agent's senior to handle the agent's problems.

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SUMMARY AND COMMENTS

As stressed before, the individual circumstances of the target and the agent determine the extensiveness of the work done in each of the 12 steps and the time it takes to achieve the strike.

If the agent is required to return to the target area on several occasions to get the target info, he should always be observant of new developments and handle each new development as it arises. This may mean simply making a small adjustment in the plan of striking or it may mean a total halt of all agent-like activity until the agent is safely able to continue with the preparation steps and doingness of the strike. (As when the target begins to suspect the agent's activities and tries to protect itself from a strike).

Certain striking activities require more security than others. The agent must determine the degree of security he must maintain, as it is relative to his individual situation, in order to achieve the strike.

Whether a strike takes 15 minutes to prepare for or 15 months, the key to the whole game is observing what is really there, not what you were told should be there; and working on the basis of what you know.

END OF REPORT

Kathy Gregg
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20 May 75

Re: P&E's

Yours to DG I 5 May 75
DG I's to you 14 May 75

Dear Michael,

When Dick first wrote you on this subject a few of us in the office had been comparing notes and smatterings of legal knowledge on this subject with the end result of deciding we needed to research the differences between "breaking and entry" and "unlawful entry".

Upon searching through legal dictionaries and various legal sources I discovered in Wests California Penal Codes (which except for varying technical differences by state is representative of the basic US statewide law on this subject) that the technical differences between "b & e" and "unlawful entry" become relatively meaningless when it can be seen that a large portion, if not the majority, of our high priority successful Collections actions fall into the category of second degree burglary, which is a felony.

Some of our successful collections actions in the recent past and present which fall into this category are: (past) GO 1222, GO 1500, GO 1361, GO 1344, GO 1080-Yolo, DEA; (present) GO 1361, GO 1344, DEA. (this is not an exhaustive rundown, just enough to demonstrate the importance)

From my study of the codes and from my knowledge of how the collections actions are done, one of the key points in solidifying the burglary commission is basically the theft of xerox paper and xerox machine use of whatever group is approached. Without this theft, then the distinction between "b & e" and "unlawful entry" would become important and could mean the difference between a felony and misdemeanor.

Burglary

Definition: Every person who enters any building with intent to commit grand or petit larceny or any felony is guilty of burglary. (p.1,a; p2.,a)

Defendant's entry into room to take personal property for temporary use, without intending to deprive owner thereof permanently, is not burglary. (p5,a)

Burglary may be committed by a breaking on the inside and it is burglary to enter an inner door with an intent to commit a felony even though the inner door was unlocked. (p7,a)

Evidence that employee devised plan to steal his employer's property, that such plan involved entry into employer's store by other persons for purpose of taking delivery of property, and that one of such persons was induced by employee to enter store for expressed purpose of aiding and abetting him in consummating scheme to defraud employer, was sufficient to sustain employee's conviction of burglary. (p7,b)

One who enters a room or building with intent to commit a felony is guilty of burglary even though permission to enter has been extended to him personally or as a member of the public. (p8,a)

One who enters a room or building with intent to commit larceny is guilty of burglary even though express or implied permission has been given to him personally or as a member of the public. (p8,b)

Nighttime burglaries of a building currently used as sleeping and living quarters is burglary in the first degree, and all other burglaries by unarmed persons of other buildings, whether occupied or not, are in the second degree. (p11,a)

~~Punishment:~~ Burglary in the second degree: by imprisonment in the county jail not exceeding one year or in the state prison for not less than one year or more than 15 years - in trial judges discretion. (p12,a, 13,a).

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OPERATING TARGETS:

1. Review existing suitable guise program (mailing of docs to several organizations including us) to see how it would effect keeping our FSMs in place and with good access if it was done prior to negotiation breakdown or reversion after settlement. Replan if necessary, target handling out and report to DG I UK.

DG I US

2. Get additional FSMs into LA and DC target areas as needed so that existing people can be replaced. DG I US

3. Have GO 1361 documents reviewed for Branch 1 attack use, and a multi-phase campaign worked out right down to the press releases and events. Report in full to DG PR NW. DG PR US

4. Have GO 1361 documents reviewed for possible legal action in the event breakdown of negotiations or reversion. Target out full preparation of legal actions for this, send to DG L NW for OK. DG L US

5. Once GO 1361 collection is complete, have FSMs continue to survey for new data on IRS actions or intentions towards us. DG I US

6. Have FSMs collect data for Ops or use in Br I PR that is entirely in IRS territory. DG I US

7. Plan and target use of exceptions of all US Orgs (should CofSofC get its exemption) to dead alert any IRS entheta existing in other government agencies or elsewhere. Issue as a PR Project if it is needed. (It won't be needed if CofSofC doesn't get exception.)

DGPR US

8a. Continue to tie in IRS in FREEDOM as a test for general criticism and ridicule. The IRS/FDA/AMA/Psychiatry are all big brother agencies and can be tied together editorially and by cartoon for their bureaucratic misdeeds.

DGPR US

8b. Get FRCs prepared on GO 1361 docs for use when suitable guise turnover is accomplished, or for use if legal can obtain docs through FOI. DG PR US

9. Target out handling of IRS FOI for maximum effectiveness (i.e. getting all the docs and correction), issue as Legal Bureau US Project with LW OK. DG L US

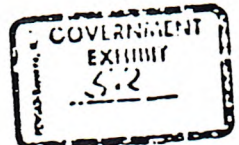
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WHITE-UP

1 May 1974

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To all CG Infos and AG Infos

RE: SECURITY AND THEFT OF MATERIALS

From time to time files, policies, technical materials and documents vital to the Church have been stolen from Organizations. These thefts are usually performed either by PTTs and cut-throats who hope to make some personal gain out of selling or using the material. On other occasions such thefts are committed by professionals operating in the field of data collection. It is important that for purposes of security we be able to recognize the difference between a nut and a professional. Therefore I am giving here a description as to how the professional operates in stealing materials by infiltration or by straight breaking, entering and theft.

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Many references are available on this subject concerning industrial espionage and a large volume of books have been written on the subject. However, it would appear that a lot of this data has been ignored and it is time that we had it.

CASING

The first step in any breaking and entering job is casing. This consists of checking out the area to ascertain the possibilities for breaking into the premises. It frequently amounts to the surveillance of an unoccupied duration made on the place to obtain a rough or precise idea of the schedules of the staff, when the office is empty, whether there are burglar alarms and what is the best method of entry.

Other factors such as police patrols in the area, number of public passing by the area, visibility through windows etc., can be considered depending on circumstances. The person doing the casing usually takes every effort to ensure that he is not spotted while he is doing the casing, as the police are very used to this method and consequently after a theft has been reported or documents found missing will check this aspect to see if any strangers have been noted in the neighbourhood, etc.

SECURITY OF THE OPERATION

The first consideration on security is always the personnel chosen to do the job. Professionals would usually choose someone who is confident and competent, easily trainable and fully trained. In other words in Scientology terms, people who are not PTT, who are not ethics cases. Additionally one would normally choose someone who is motivated by duty or other high motivation to prevent later sell-outs or discovery by reason of an agent turning.

The second security is basically to devise a plan based on effective casing that avoids any chance encounters, mistakes or confusion while the operation is being executed.

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The third security on the operation itself is the factor of returning the materials before they are noticed to be missing, thereby preventing anyone from ever finding out that a theft has occurred. This subject is covered later.

SECURITY OF THE OPERATIONS

Professionals at all times wear gloves during an operation. This prevents fingerprints being left behind by which the agents could be traced. Gloves used are frequently light cotton gloves such as women's dress gloves. Another type used is an underglove used by motorcycle riders to wear underneath the motorcycle gauntlet to keep their hands doubly warm in winter. Such gloves are thin and do not interfere too much with the use of hands and fingers for detailed jobs. Additionally papers, files and other material can be leafed through or paged through easily.

If there is any difficulty in handling papers with gloves on, an agent might use rubber finger stalls to help him read through documents. These are small rubber caps with a rough surface that go over the tips of the fingers, used by people who have to do a large amount of paper sorting.

The reason for using gloves has nothing to do with the actual identification of the agent in connection with the job at hand, unless the agent is picked up at a later date or on another job. However, gloves are worn as a routine matter because someone doing a series of jobs in a row could leave himself wide open by leaving prints behind for the police to compare prints on several different jobs, find out that only one individual was involved and possibly by thoroughness of checking, isolate the people or persons who were in the area at the right times. Therefore professionals always wear gloves, whether his prints are recorded with an official agency or not.

There are only a few surfaces that will take a fingerprint that can then be cleaned off. Such surfaces are plastics and metal. Virtually every other surface will retain a print for a long period of time. Modern scientific methods have made it possible to retrieve prints that have long since faded with age and are not recoverable by the old-fashioned technique of fingerprint powder. Scotland Yard have in fact developed a device that will pick up a fingerprint off a piece of paper that has been floating in a river for over three months.

SECURITY OF THE ORGANIZATION

Professionals are always working for some person or group which for the purposes of this section will be referred to as an organization. If the agent's motivation for working for the group is high, then this section will concern the agent as well.

Any professional intelligence group has to confront the possibility that at some stage an agent will be picked up. The most serious of these is when the agent is picked up in the actual act of stealing documents or in position where he is about to steal documents, or has just stolen documents and is moving to his home with the material. Therefore agents are frequently given instructions along the lines of "if you are picked up by the police, don't say anything more than you are required to by law", which is usually your name and address but this varies depending on the area. This is of course if the agent is in a position where no story would explain the outposts confronting the police. The agent will probably be arrested at this stage and should quickly arrange a lawyer

through a law or legal aid society days and a name and address of one can be

such a case about these filed beforehand.

The organization usually arranges some method of communication so that the agent can tip them off that he has been picked up. Any organization that has a desire to retain its agents or to continue recruiting agents, usually has the means to provide bail through some bail bond system that allows the organization to remain anonymous, pays any legal fees incurred and gives every possible moral encouragement.

Additionally, any agent working on such operations would have nothing in his possession that connected him with the organization, nothing at his home address that connected him with organization and no possible way of tracing him back. For example, an alternative employment or no employment, but certainly no mention of employment by the organization. This is the usual exchange between agent and organization in the event of an arrest. The agent protects the organization, the organization assists the agent in every possible way. Such preparations are also usually made well in advance, so that the agent's recent history does not show any connections with the organization.

COVER STORY

One trick used by professionals is, after the casing has been completed and the plan decided on, a series of cover stories are worked up to cover each stage of the operation in the event that the operation is blown at any point. Such cover stories usually relate to the most vulnerable state of operation. For example, an agent might prepare a story as to why he was in that particular neighborhood, why he was on that particular street, why he knocked on that particular door, even what he was doing in that particular backyard. Thus if he is picked up at any of these points he has a plausible explanation as to what he is doing.

On occasion cover stories are worked up to cover being caught in the act. It is sometimes to the advantage of the agent and the organization, if the police believe that the agent was actually breaking in for money or goods, rather than documents or files, as the police have a common R with criminals who they can duplicate, but sometimes get frantic when confronted with intelligence operations. Such cover stories as mentioned above would also be designed to handle the local security guard, the local resident or staff member or whoever discovers the agent in the beginning stages of the operation.

TOOLS AND EQUIPMENT

Tools and equipment have always been a problem to agents in any operation because the standard lock picking devices; crowbars, sledgehammers and backaxes and standard items used for breaking into a place are easily recognized by the police. In fact in some places carrying such instruments is in itself an offense. An agent picked up on suspicion prior to an operation could find himself in hot water even though he had not yet actually done anything. Therefore an agent will usually try instead to obtain a key to the place he wants to enter beforehand or find a method of entry that does not require the use of instruments and tools. As this is not always possible an agent will attempt to avoid detection by

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carrying the tools for as short a time as possible in connection with the operation being done, or disguise the tools in some way that they cannot be recognized, such as a thin plastic comb instead of a strip of cellulose or a hairgrip instead of a lock pick.

Some agents and organizations devise ingenious methods of hiding the equipment usually in concealed pockets in rigid items such as cigarette lighters and fountain pens. Most agents, however, rely on the two key factors involved during an operation which are 1) attending to minor detail before you get started, and 2) keeping your cool and staying up together while the operation is on.

THE FILES THEMSELVES

Best way of preventing being caught at a later date is of course to ensure that no one finds out that anything ever happened in the first place. In other words copy the files and return them. Most agents operate on this basis, at least the professional ones do. However, orgs have also been plagued with files going missing and never to be seen again. Such operations are not professional, unless done with the express purpose of making the files disappear in the first place. This is of value to some professionals as a file containing vital planning or documents disappearing, could have damaging effect on the group. Obviously gloves would also be used when the documents are copied and in the subsequent operation to return the documents.

PLANTS

There has already been much written about plants so I won't go into any great detail here, but just two notes.

A plant in any organization or group has a job in an area he operates in. The staff of the organization are accustomed to seeing the person in that area. Additionally the person's fingerprints would normally only be found in that area. Therefore a plant wishing to remove files from another section of an organization would do so at a time when he or she wouldn't be seen and would do it with oily gloves on.

I hope you will find the above useful. I may have gone into too much detail in some places, but the data should help you combat thefts of documents effectively as anyone of the points outlined picked up on a person, would be an indicator of a professional operating. I hope you will keep alert to these.

Wb Doolong
D/O Information 77

1 I, GERALD ARMSTRONG, declare and state that:

2 1. I have made a previous declaration in this matter
3 and reiterate that I was a member of Scientology from 1969 to
4 1981 and involved in litigation with various Scientology entities
5 hereinafter referred to as "the Organization" since 1982 to the
6 present. I am familiar with many of the witnesses, attorneys and
7 victims who have been involved with various Scientology
8 litigations and I have previously met and recognize the voice of
9 Barry Van Sickle.

10 2. In the afternoon of July 16, 1991, I was present
11 at the Law Offices of Joseph A. Yanny when Mr. Yanny received a
12 telephone call from Mr. Barry Van Sickle which phone call was
13 placed upon the speaker phone. I heard the conversation between
14 Mr. Van Sickle and Mr. Yanny at that time and in its entirety.
15 During the course of the conversation, Mr. Van Sickle recounted a
16 conversation that he had had with Messrs. Quinn and Drescher
17 regarding settlement of litigation between Bent Corydon and the
18 Organization. Mr. Van Sickle stated that he had attended a
19 number of such meetings at which settlement was discussed and
20 that, at one particular meeting, a settlement document was
21 transferred by Mr. Drescher to Mr. Van Sickle with respect to the
22 Corydon litigation.

23 3. Mr. Van Sickle stated that, during the course of
24 the aforementioned meeting, Messrs. Quinn and Drescher had stated
25 that the objective of the settlement was to make peace. Mr. Van
26 Sickle stated that Mr. Drescher stated, while handing over the
27 settlement agreement, that he realized that the settlement
28 agreement, as proposed, was harsh in its terms. Mr. Van Sickle

1 stated further that Mr. Drescher indicated that while he realized
2 it was unethical to suggest such a thing, it was the desire of
3 his clients to have Mr. Van Sickle and Ms. Toby Plevin out of the
4 Scientology litigation business.

5 I declare under the penalty of perjury under the laws of the
6 United States and the State of California that the foregoing is
7 true and correct and based on my personal knowledge, except those
8 matters stated on information and belief, and as to those
9 matters, I am informed and believe them to be true.

10 Executed this 16th day of July, 1991, at Los Angeles,
11 California.

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13 _____
14 GERALD ARMSTRONG
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